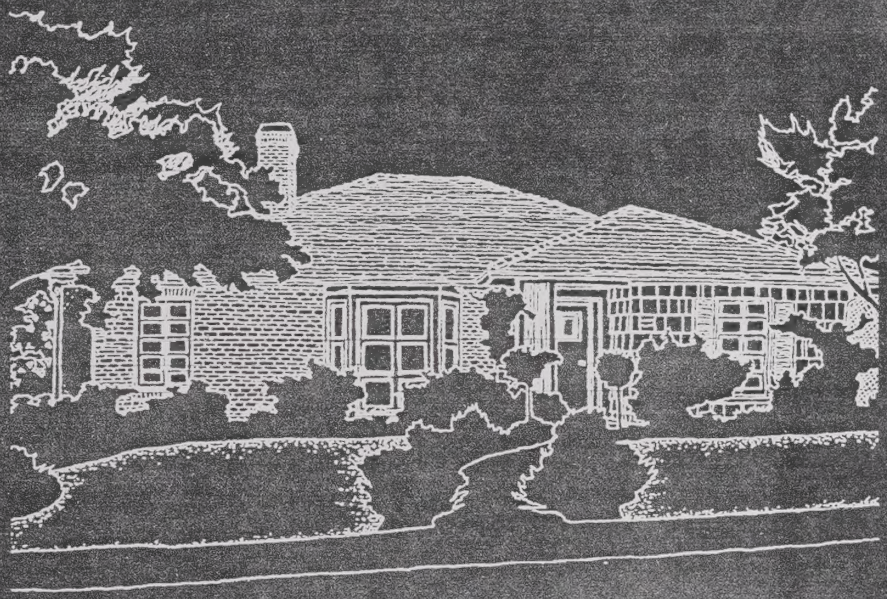
City of Del Mar
1999-2004 Housing Element



December 2000

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1999-2004 Housing Element

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Section 1. Introduction

A. Community Context

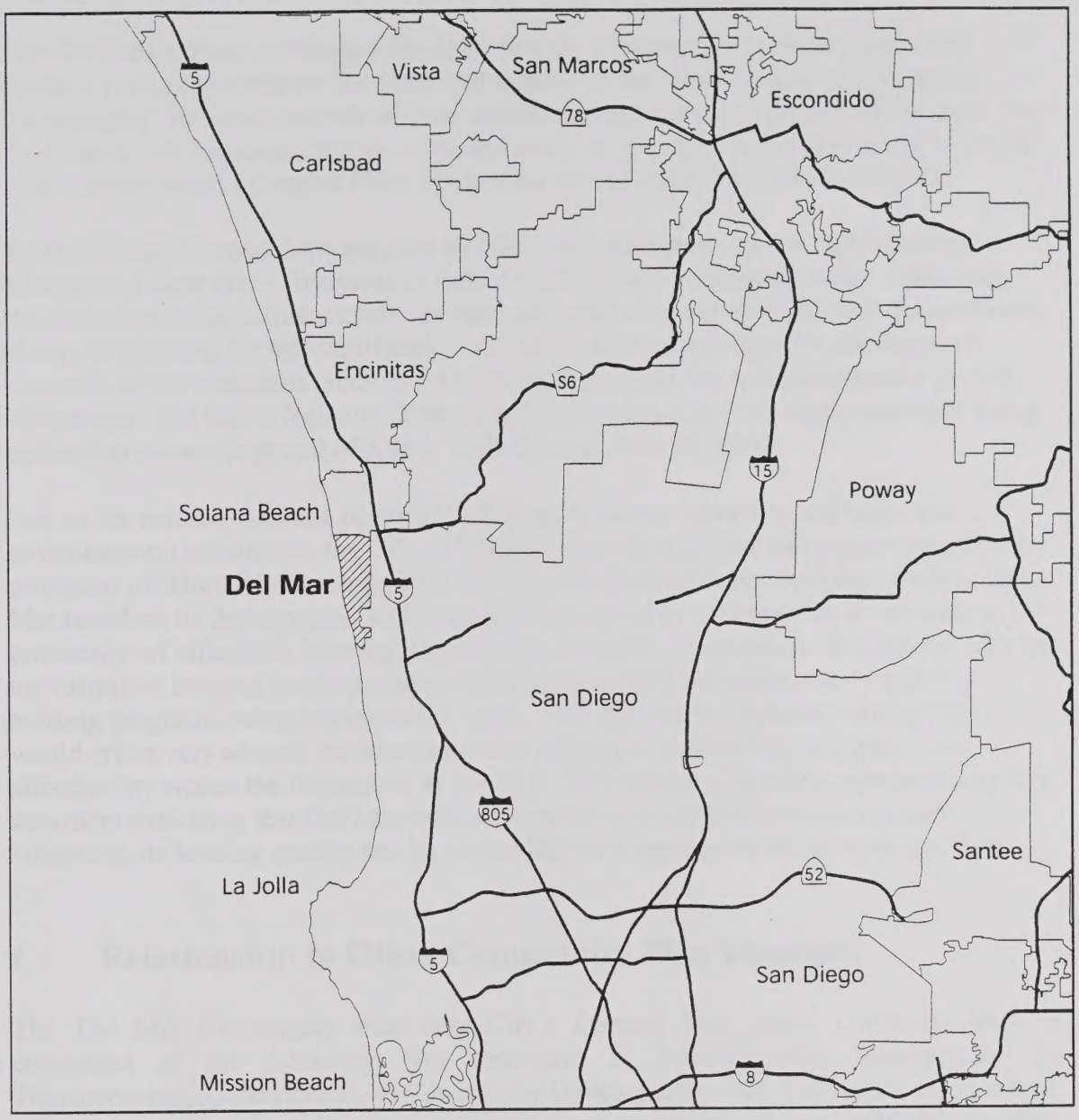
The City of Del Mar is a small, residential community located on the Pacific Coast, west of Interstate 5 and approximately 20 miles north of downtown San Diego (Figure 1). Del Mar, with a population of 5,328 according to the California Department of Finance, and an area of two square miles, is the smallest incorporated jurisdiction in San Diego County.

The development pattern found in the City today began in the early 1900's when the South Coast Land Company bought the majority of the land that comprises Del Mar and proceeded to create a residential community "of distinctive class." Strict building standards were enforced and lots were divided irregularly to assure individuality and a view. Residential landowners were deed-restricted from building apartments, flats, or duplexes on their properties.

Today, Del Mar continues to be characterized by its high quality residential neighborhoods, as well as its small-village downtown. Visitors are attracted to the City due to its coastal location, agreeable climate, small-village atmosphere, and the Del Mar Racetrack and Fairgrounds located in the northern portion of the City. As a result of the large number of tourists that visit Del Mar each year, retail and service industries provide many of the employment opportunities in the City.

The majority (61%) of the City's existing housing stock consists of single-family units, with the remainder comprised of multi-family projects of varying sizes. Since the City is virtually built-out, limited land remains for future residential development. Land costs for single-family lots in the City begin at $550,000 and can exceed $1 million per lot. In 1999, the median price for a single-family home in Del Mar was approximately $672,000, while that for a condominium was $265,000. Rental rates in 1998 began at an average of $861 for a one-bedroom unit and higher for larger units. The low vacancy rate in the region and limited multi-family development occurring in Del Mar will continue to increase rental rates in the City.

Unique environmental features also characterize Del Mar. The City is long and narrow in shape, bordering approximately 2 ½ miles of the coast, and extending inland less than one mile at its widest point. Along the coast the land rises abruptly from the sandy beaches to cliffs reaching 75 feet in height. The cliffs have been eroded by drainage from the San Dieguito River (to the north) and Los Penasquitos Creek (to the south), creating small canyons extending into the hillsides. Crest Canyon extends south from the San Dieguito River and forms much of the eastern boundary of the City. The majority of the northern portion of the City is within the marshy floodplain created by San Dieguito River. The cliffs, canyons, and wetlands found in Del Mar limit the amount of development that can occur in the areas impacted by these natural features.



Source: SANDAG, 1998

North 0 1 2 4 miles

Figure 1
Regional Location

B. State Policy and Authorization

The California State Legislature has identified the attainment of a decent home and suitable living environment for every Californian as the State's major housing goal. Recognizing the important role of local planning programs in the pursuit of this goal, the Legislature has mandated that all cities and counties prepare a housing element as part of their comprehensive General Plans (California Government Code Section 65583).

State Housing Element Law requires all cities and counties to update their Housing Elements at least every five years to reflect a community's changing needs. However, the current housing element cycle has been extended to cover an eight-year period due to delays in planning for self-certification and the lack of state budget for the Regional Councils of Governments (such as SANDAG) to generate the regional housing growth allocations. Del Mar's Housing Element was last updated in 1995 and is currently being updated to cover the period of July 1, 1999 through June 30, 2004.

Due to the existing land use patterns, high housing costs, limited vacant land, and environmental constraints, the City of Del Mar is faced with limited opportunities for the provision of affordable housing. This Housing Element evaluates housing needs in Del Mar based on its demographic and housing characteristics, analyzes the constraints to the production of affordable housing, compiles an inventory of resources available to address the identified housing needs, assesses effectiveness and appropriateness of existing housing programs being implemented by the City, and crafts a housing strategy that would effectively address the housing issues relating to availability, adequacy, and affordability within the limitations of the City. This Housing Element represents a policy statement indicating that Del Mar will continue to strive toward maintaining and enhancing its housing quality and its desirability as a place in which to work and live.

C. Relationship to Other Community Plan Elements

The Del Mar Community Plan (the City's General Plan under California law) is comprised of the following five elements: 1) Environmental Management; 2) Transportation; 3) Recreation; 4) Community Development; and 5) Housing. Background information and policy direction presented in one element is also reflected in other Community Plan elements. For example, residential development capacities established in the Community Development Element are incorporated within the Housing Element. This Housing Element builds upon other Community Plan elements and is consistent with the goals and policies set forth by the Community Plan. As part of this Housing Element update, the City proposes to extend residential mixed-use standards similar to those allowed in the Residential-Commercial district to the Central Commercial and Professional Commercial districts to provide opportunities for the development of mixed-use residential development to occur. To ensure consistency of the Housing Element with the Community Plan and Zoning Ordinance, the Housing Element includes a program to amend the Community Plan and Zoning Ordinance to facilitate the development of mixed use residential development.

In addition, consistent with the City's housing goal to encourage a wide range of housing opportunities for persons with special needs, this Housing Element includes a program and objective to review the City's Zoning Ordinance to address the location, and development standards and procedures for homeless shelters and transitional housing facilities.

Furthermore, whenever any element in the Community Plan is amended, the Housing Element will be reviewed and modified, if necessary, to ensure the continued internal consistency among elements.

D. Public Participation

As part of the comprehensive update to the Housing Element, the City conducted two housing program study sessions that were attended by members of the Housing Corporation, as well as members of the Planning Commission, City Council, Lifeline Community Services (Lifeline), and the public. These sessions served to solicit Housing Corporation input on the housing program options. Members of Housing Corporation include local advocates for the provision of affordable housing within the City. To better understand the housing needs of low and moderate income households, Lifeline was invited to attend all Housing Element study sessions and hearings. Lifeline, a non-profit organization, is actively involved in the provision of affordable housing opportunities within the City and region, including administering the City's Shared Housing program.

During its 45-day review by the California State Department of Housing and Community Development (HCD), the Draft Housing Element was available for review by interested individuals and organizations. In addition, public hearings will be held on this revision to the Housing Element before both the Planning Commission and City Council. Notification will be published in the local newspaper in advance of each hearing.

E. Data Sources and Glossary

The data used for the completion of this Housing Element comes from a variety of sources, including the 1990 Census, various documents produced by the San Diego Association of Governments (SANDAG) and the Regional Task Force on the Homeless, the California Department of Finance, local newspapers, local real estate agents, as well as professional associations. The data sources represent the best data available at the time this Housing Element was prepared. The original source documents contain the assumptions and methods used to compile the data.

This Housing Element, along with the state-mandated requirements, includes a Glossary of terms used in the Element. This Glossary has been included to allow readers to better understand the terminology used in the Housing Element discussion, and can be found at the end of the Element.

Section 2. Housing Needs Assessment

This section of the Housing Element describes supply and demand for housing in Del Mar. The section is broken into five subsections, addressing the population, employment, household, special needs populations, and housing stock characteristics of Del Mar. This analysis provides the basis for developing a successful housing program that meets the needs of the community.

A. Population Characteristics

Population Growth Trends

Del Mar is the smallest incorporated jurisdiction within San Diego County. According to the Census, Del Mar had a population of 4,860 in 1990. During the period from 1990 to 1999, the California State Department of Finance estimates that the City grew by less than 10% to a population of 5,328. As depicted in Table 1, Del Mar experienced a smaller growth compared to the County as a whole.

Table 1
Population Growth Trends

Jurisdiction	1990[1]	1999[2]	% Change 1990-1999	Projected 2005[3]	Projected % Change 1999-2005
Del Mar	4,860	5,328	9.6%	5,543	4.0%
Encinitas	55,386	60,426	9.0%	66,564	10.1%
City of San Diego	1,110,549	1,254,281	12.9%	1,403,874	11.9%
Solana Beach	12,962	14,152	9.1%	14,714	4.0%
Total San Diego County	2,498,016	2,853,258	14.2%	3,223,474	13.0%

Sources: [1] 1990 Census
[2] California State Department of Finance, January 1, 1999
[3] 2020 Cities/Counties Forecast, SANDAG February 1999

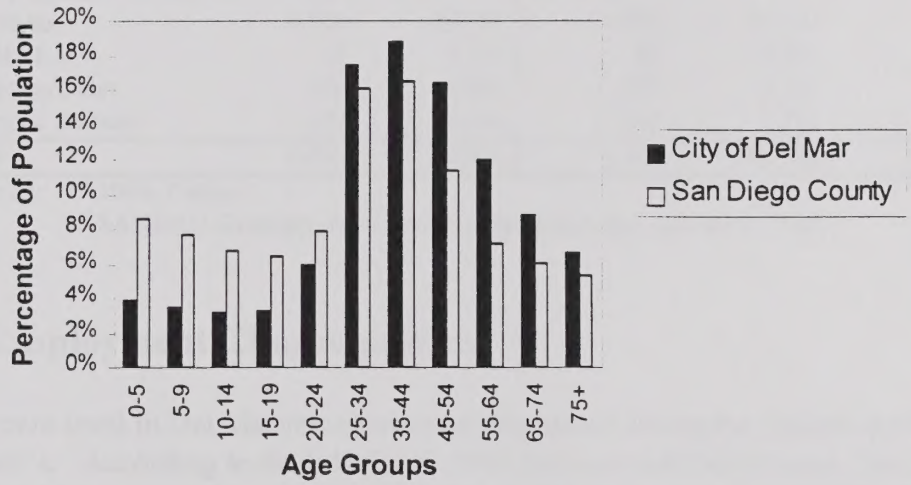
The San Diego Association of Governments (SANDAG) estimates that Del Mar will continue to experience a growth rate much lower than the County during the next six years. The population of Del Mar is projected to grow an additional 4%, to 5,543 persons, by the year 2005, while the County population is anticipated to grow 13% during the same period. In 2005, Del Mar is projected by SANDAG to maintain its 0.2% share of the total population in San Diego County.

Age Characteristics

The age structure of a population is an important factor in evaluating housing needs and projecting the distribution of future housing development. Traditionally, both the young adult population (20-34) and the elderly population (65+) tend to prefer low to moderate cost, smaller units. Persons between 35 to 54 years old usually reside in higher cost, larger units because they typically have higher incomes and a larger household size.

The population of both Del Mar and the County is aging. According to the 1990 Census, the median age was 38.2 years for residents in Del Mar and 30.9 years for residents in the County. The estimated 1997 median age increased to 41.9 years for Del Mar residents and 32.9 years for County residents. Overall, the population in Del Mar was significantly older than the County population in 1990 and in 1997. Figure 2 illustrates that in 1997 Del Mar had a larger proportion of its population in the older age groups in comparison to the County.

Figure 2
1997 Age Distribution



Source: SANDAG Demographic Characteristics Estimates, January 1, 1997.

Race/Ethnicity Characteristics

The racial and ethnic composition of a population affects housing needs because of the unique household characteristics of different racial/ethnic groups. These characteristics tend to correlate with other factors such as family size, housing location choices, and mobility. As shown in Table 2, the large majority (93%) of the 1997 population in Del Mar was estimated to be White. There was little change in the racial/ethnic composition of the Del Mar residents between 1990 and 1997.

In comparison, the County of San Diego contains a more diverse population. Only 61% of the County's 1997 population was estimated to be White. The next largest ethnic group is the 24% Hispanic population.

Table 2
Race and Ethnicity 1990 and 1997

	1990[1]		1997[2]		
Race/Ethnicity	**Number of Del Mar Residents**	**% of Del Mar Population**	**Number of Del Mar Residents**	**% of Del Mar Population**	**% of San Diego County Population**
Non-Hispanic Persons					
White	4,514	92.9%	4,790	93.1%	61.3%
Black	33	0.7%	30	0.6%	6.1%
Asian/Other	136	2.8%	137	2.7%	9.0%
Hispanic Persons	177	3.6%	190	3.7%	23.6%
Total	4,860	100.0%	5,147	100.0%	100.0%

Sources: [1] 1990 Census
[2] SANDAG Demographic Characteristics Estimates, January 1, 1997.

B. Employment Characteristics

Employment level in Del Mar remained relatively stable during the recession years in the early 1990's. According to the SANDAG 1995 Employment Inventories, the number of jobs in Del Mar increased by 1% from 2,763 to 2,789 during the period of 1990 to 1995. In comparison, employment in the County as a whole decreased by 1%.

As shown in Table 3, Del Mar's employment base in 1995 was heavily dependent on the retail and service industries. About 62% of the jobs in Del Mar were retail and service related. Only 46% of the County's economic base was oriented towards the retail and service industries.

Table 3
1995 Employment by Industry

Industry	% of Total Jobs Del Mar	% of Total Jobs San Diego County
Agriculture/Mining	0%	1.0%
Construction	2.8%	4.0%
Manufacturing	2.8%	10.5%
Transportation/Communications	2.3%	3.4%
Wholesale/Trade	1.6%	3.9%
Retail Trade	36.1%	17.1%
Finance/Insurance/Real Estate	11.1%	5.1%
Services	25.8%	28.5%
Government/Military	17.4%	26.4%
Total	100.0%	100.0%

Source: SANDAG Employment Inventories, 1995

The Del Mar Racetrack and Fairgrounds provide unique employment opportunities in the City. These facilities create many temporary jobs, especially during the Del Mar Fair and the horse racing season. There are approximately 155 permanent, full-time employees and 190 permanent, part-time employees working on the Fairgrounds year-round. The numbers of employees increase significantly during the Del Mar Fair and the horse racing season. The number of people working on the Fairgrounds during the Del Mar Fair increases to approximately 1,800, and to approximately 1,200 employees during the horse racing season. As discussed later in Section D. – Special Needs Populations, the Del Mar Fairgrounds provides housing for some of the temporary employees it utilizes.

C. Household Characteristics

Household Growth Trends

Parallel to the population growth trends shown early in Table 1, household growth in Del Mar lagged behind that in the County. Between 1990 and 1999 the number of households in Del Mar increased by less than 3% while that in the County increased by over 8%. This discrepancy in growth experienced in Del Mar and in the County is expected to widen in the future as vacant residential land in the City becomes an increasingly rare commodity. As depicted in Table 4, the number of households in Del Mar is expected to increase by 3% by the year 2005. This level of growth is significantly less than the 13% growth projected for the County.

Table 4
Household Growth Trends

Jurisdiction	1990[1]	1999[2]	% Change 1990-1999	Projected 2005[3]	Projected % Change 1999-2005
Del Mar	2,224	2,281	2.6%	2,359	3.4%
Encinitas	20,903	21,757	4.1%	23,919	9.9%
City of San Diego	406,316	483,741	19.1%	491,263	12.0%
Solana Beach	5,516	5,600	1.5%	5,803	3.6%
Total San Diego County	887,719	962,482	8.4%	1,088,702	13.1%

Sources: [1] 1990 Census
[2] California State Department of Finance, January 1, 1999
[3] 2020 Cities/Counties Forecast, SANDAG February 1999

Household Composition and Size

The characteristics of the households in a city are important indicators of the type of housing needed in that community. The Census defines a household as all persons who occupy a housing unit, which may include families related through marriage or blood, unrelated individuals living together, or individuals living alone. People living in retirement or convalescent homes, dormitories or other group living situations are not considered households.

According to the 1990 Census, only 50% of the 2,224 households in Del Mar were considered families[1]. Among the 1,122 non-family households, 348 (31%) were single people living alone, including 155 (14%) elderly persons living alone, and the remaining 69% of non-family households contain more than one person.

Household size is an important indicator for identifying sources of population growth as well as overcrowding in individual housing units. A city's average household size will increase over time if there is a trend towards larger families. The average household size may decline in communities where the population is aging. As depicted in Table 5, with an average of 2.3 persons per household in 1999, Del Mar has the lowest persons per household in comparison to the surrounding communities, as well as the County as a whole. This is consistent with Del Mar's older population.

[1] Families are defined by the Census as people who live together in a household and are related to the householder by birth, marriage, or adoption. A non-family household consists of an individual living alone or individuals living together who are not related by birth, marriage, or adoption. Persons living in a retirement or convalescent home, dormitory, or other group quarter living situation are not considered a household.

Table 5
Average Number of Persons per Household
1990 and 1999

Jurisdiction	Average Persons/Household	
	1990[1]	1999[2]
Del Mar	2.2	2.3
Encinitas	2.6	2.7
City of San Diego	2.6	2.8
Solana Beach	2.4	2.5
Total San Diego County	2.7	2.9

Sources: [1] 1990 Census
[2] California Department of Finance, January 1, 1999

Household Income

The income earned by a household is an important indicator of the household's ability to acquire adequate housing. While upper income households have more discretionary income to spend on housing, Low and Moderate Income households are more limited in the range of housing that they can afford. Typically, as the income of households decreases the incidence of overpayment and overcrowding increases.

The California State Department of Housing and Community Development (HCD) has developed the following income categories:

- **Extremely Low Income Households** earn between 0 and 30% of the Area Medium Family Income (MFI), adjusted for household size;
- **Very Low Income Households** earn between 31 and 50% of the MFI, adjusted for household size;
- **Low Income Households** earn between 51 and 80% of the MFI, adjusted for household size;
- **Moderate Income Households** earn between 81 and 120% of the MFI, adjusted for household size; and,
- **Above Moderate/Upper Income Households** earn over 120% of the MFI, adjusted for household size.

The median income in 1997 for the San Diego Region for a family of four was $48,600. Table 6 depicts the 1997 income distribution of households in Del Mar. As depicted in Table 6, the majority (55%) of the households in Del Mar were Upper Income

households, earning over $58,320 per year. Extremely Low and Very Low Income households represented 10.3% of the City's total households, with an additional 18.1% of the City's households considered Low Income. In contrast, less than one-third of the County households were Upper Income.

Table 6
1997 Household Income Distribution

	City of Del Mar		County
Income Category	**# of Households**	**% of Households**	**% of Households**
Extremely Low	162	7.1%	13.0%
Very Low	73	3.2%	13.5%
Low	411	18.1%	20.3%
Moderate	371	16.3%	20.8%
Upper	1,255	55.3%	32.4%
Total Households	2,271	100.0%	100.0%

Note: 1997 Median Income = $48,600
Source: SANDAG Demographic Characteristics Estimates, January 1, 1997

Overcrowding

An overcrowded household is defined as one with more than one person per room, excluding bathrooms, kitchens, hallways, and porches. A severely overcrowded household is defined as one with more than 1.5 persons per room. Overcrowding in households results from either a lack of affordable housing (which forces more than one household to live together) and/or a lack of available housing units of adequate size. In 1990 only 32 housing units, or about 1% of the total occupied housing units in Del Mar, were considered overcrowded. The incidents of overcrowding in Del Mar are negligible.

Overpayment

State and Federal standards consider a household as overpaying for its housing costs if it spends more than 30% of its gross income on housing. A household that is spending more than it can afford for housing has less money available for other necessities and emergency expenditures. Extremely Low and Very Low Income households overpaying for housing are more likely to be at risk of becoming homeless than other households. Renter-households overpay for their housing costs more often than owner-households because of their typically lower incomes. Compared to renters, overpayment by owners is less of a concern because homeowners have the option to refinance the mortgage, or to sell the house and move into rentals or buy a less expensive home. Table 7 shows that Del Mar has a lower incident of overpayment in comparison to the County as a whole.

Table 7
1990 Households Overpaying for Housing

Jurisdiction	All Households			Lower Income Households (<80% of MFI)		
	% Total Households Paying 30%+	% Renter Households Paying 30%+	% Owner Households Paying 30%+	% Total Households Paying 30%+	% Renter Households Paying 30%+	% Owner Households Paying 30%+
Del Mar [1]	32.3%	43.9%	19.7%	73.3%	100%	31.2%
San Diego County [2]	40.7%	49.4%	31.9%	65.5%	73.3%	50.1%

Source: [1] California Department of Housing and Community Development, June 2000.
[2] 1990 Census and 1993 CHAS databook.

As shown in Table 7, according to the 1993 Comprehensive Housing Affordability Study (CHAS) databook based on 1990 Census data, all of the lower income renter-households in Del Mar were paying in excess of 30% of their gross income for housing, compared to 73% of the lower income renter-households in the County. Low income owner-households in Del Mar had a lower incident (31%) of overpaying than lower income owner households in the County (50%). This shows a need to assist lower income renter-households to reduce the rent burden with programs such as the City's rental assistance program.

D. Special Needs Populations

Certain segments of the population may have a more difficult time finding decent, affordable housing due to their special circumstances or needs. These "special needs" populations include elderly persons, disabled persons, single parent households, farm workers, homeless, students and large households.

Agricultural Workers

Agricultural workers are traditionally defined as persons whose primary incomes are earned through seasonal agricultural work. Agricultural workers have special housing needs because they earn lower incomes than many other workers and move throughout the season from one harvest to another. As depicted in Table 8, in 1995 there were no agricultural workers in Del Mar. However, the Regional Task Force on the Homeless estimates that in 1998 the City had a homeless population of about 30, and about two-thirds of these homeless persons were agricultural workers and day laborers.

Single Parents

Single-parent families with children often require special attention due to their needs for affordable childcare, health care, and housing assistance. Female-headed households with children particularly tend to have lower incomes, thus limiting housing availability for this group. As shown in Table 8, in 1990 approximately 3% of the households in Del Mar were headed by single parents, and of these, approximately two-thirds were female-headed households. According to the 1990 Census, no family in Del Mar with dependant children was living below the poverty level.

Table 8
1990 Special Needs Populations

Special Needs Groups	Number of Households/Persons	Percent of Total Households/Persons
Farm Workers (persons) (1995 Estimate) [1]	0	0.0%
Single Parents (households) [2]	77	3.4%
Female-headed Households with Children [2]	54	2.4%
Male-headed Households with Children [2]	23	1.0%
Elderly-headed Households [2]	400	18.2%
Persons with Disabilities (persons) [2]	293	6.8%
College Students (persons) [2]	677	13.9%
Large Households [2]	111	5.0%
Homeless (persons) (1998 Estimate) [3]	30	N/A

Sources: [1] SANDAG 1995 Employment Inventory
[2] 1990 Census
[3] 1998 Regional Task Force on the Homeless – Regional Homeless Profile

Elderly

Many elderly have special housing needs related to their lower, fixed incomes, physical and development disabilities, or dependence needs. Del Mar has a large proportion of elderly-headed households. As shown in Table 8, in 1990 approximately 18% of the households in Del Mar were headed by elderly persons. Countywide, only 11% of the heads of households were elderly persons. According to the 1990 Census, approximately 5% of Del Mar's 65 or over population lived below the poverty line and 26% of Del Mar's 65 or over population had a disability. The great majority (79%) of households in the City headed by an elderly person owned their home, while 21% were renters.

Persons with Disabilities

This category covers a wide range of physical and mental disabilities, which are defined in the Glossary located at the end of this Housing Element. Physical and developmental disabilities can hinder access to housing units of traditional design, and potentially limit the ability to earn an adequate income. The 1990 Census indicated that Countywide,

13% of the 16 years or older population had a disability. Only 7% of Del Mar's 16 years or older population had a disability.

Students

The college student population in the area is another significant factor affecting housing demand. Del Mar is located near to the University of California, San Diego. San Diego State University is also located within a relatively short driving distance. With 14% of Del Mar's population in 1990 being college students, the City had the highest percentage of students in the County. Overall in the County, less than 10% of the population was enrolled as college students. While many of the City's college students reside with the parents, there are students who reside in Del Mar in their own independent housing. In 1995, the City estimated about 215 to 280 students living independently in Del Mar. Lack of affordable housing often leads to the students' departure from the community upon graduation.

Large Households

Large family and non-family households, those with five or more persons, are often considered as a group with special housing needs due to the limited availability of adequately sized affordable housing units. In many cases, large households have a lower household income. Many large households with limited incomes tend to double-up in housing to save on costs, resulting in overcrowding and accelerated unit deterioration. An estimated 5% of Del Mar's households had five or more members in 1990. The majority, 64%, of households in Del Mar with five or more members are homeowners, while 36% rent.

Homeless

According to the *1998 Regional Homeless Profile* prepared by the Regional Task Force on the Homeless, Del Mar was estimated to have a homeless population of 30 or less persons in 1998. Of the approximately 30 homeless, two-thirds were estimated to be homeless agricultural and day labors and the remainder were urban homeless.

In addition to those persons and families already homeless, there are families and persons at risk of becoming homeless. These include Extremely Low Income families and those receiving public assistance. Termination of employment or public subsidies would likely render these families homeless. As of February 1998, only 32 persons in Del Mar, or less than 1% of the population, were receiving aid from TANF (Temporary Assistance to Needy Families). TANF is a federal block grant program that is distributed to states to partially fund state welfare programs. The goal of the program is to work with families with dependant children to create a stable family situation, reduce poverty, and permanently move parents into work.

According to the Regional Task Force, there are no homeless service providers located within the City, nor in the surrounding area. However, in its January 2000 report, "The Distribution of Public Funds for Homeless Services and Cash Assistance in San Diego County", the Regional Task Force on the Homeless states that the City of Del Mar budgeted the third highest ratio of dollars per capita for the homeless in 2000, allocating $4.13 per resident. The City contracts with Lifeline to provide referral services for shared housing opportunities, which are available to homeless persons. The Lifeline staff is available to work with homeless persons to identify potential shared housing opportunities or refer the person to available homeless services elsewhere within the County. The Sheriff's Department also refers homeless persons found within the City to local shelters including St. James Church and Solana Beach Presbyterian Church in Solana Beach, which participate with the Interfaith Revolving Shelter, as well as the following shelters:

- Brother Bennos Center (shelter serving the general homeless population)
  3260 Production Ave.
  Oceanside, 92054

- St. Vincent de Paul (shelter for families, and single persons)
  1501 Imperial Ave.
  San Diego, 92102

Del Mar Racetrack and Fairgrounds Workers

As discussed previously, the Del Mar Racetrack and Fairgrounds utilizes a number of temporary employees during the Fair and horse racing seasons. The Del Mar Fairgrounds provides housing for some of these temporary employees. The Fairgrounds has room to house approximately 700 people. On-site housing for temporary employees is provided in the form of up to 110 recreational vehicle (RV) parking spaces and several buildings containing basic sleeping rooms with shared bathroom facilities. Many of the employees utilizing the various sleeping quarters, especially during the Del Mar Fair and horse racing season, are lower income persons, such as carnival workers and grooms. During the Del Mar Fair, both the rooms and RV facilities are available to carnival workers, Future Farmers of America (FFA) members, and 4-H members and their parents. Carnival operators and commercial exhibitors also are able to utilize the RV facilities during the Fair. During racing season, the sleeping rooms and RV parking facilities are available to horse handlers and grooms. For the remainder of the year the sleeping rooms are locked and not used. The RV spaces are available for the remainder of the year for use by persons exhibiting at the various shows occurring on the Fairgrounds and by persons travelling in their RVs.

E. Housing Stock Characteristics

Housing Growth Trends

As shown in Table 9, the housing stock in Del Mar increased by just over 2% during the period of 1990 to 1999. Of the surrounding communities, only Solana Beach experienced less growth, while the County as a whole experienced 8% housing growth. With little vacant land available for future residential development, Del Mar's slow housing growth is projected to continue through the year 2004, when only a 1% increase in housing is expected to occur.

Table 9
Total Housing Units

Jurisdiction	1990[1]	1999 (estimated)[2]	% Change 1990-1999	2004 (estimated)[2]	% Change 1999-2004
Del Mar	2,514	2,580	2.56%	2,603	0.89%
Encinitas	22,123	23,119	4.31%	24,703	6.85%
San Diego City	431,722	470,860	8.31%	510,645	8.45%
Solana Beach	6,346	6,456	1.70%	6,561	1.63%
San Diego County	946,240	1,039,761	8.99%	1,135,240	9.18%

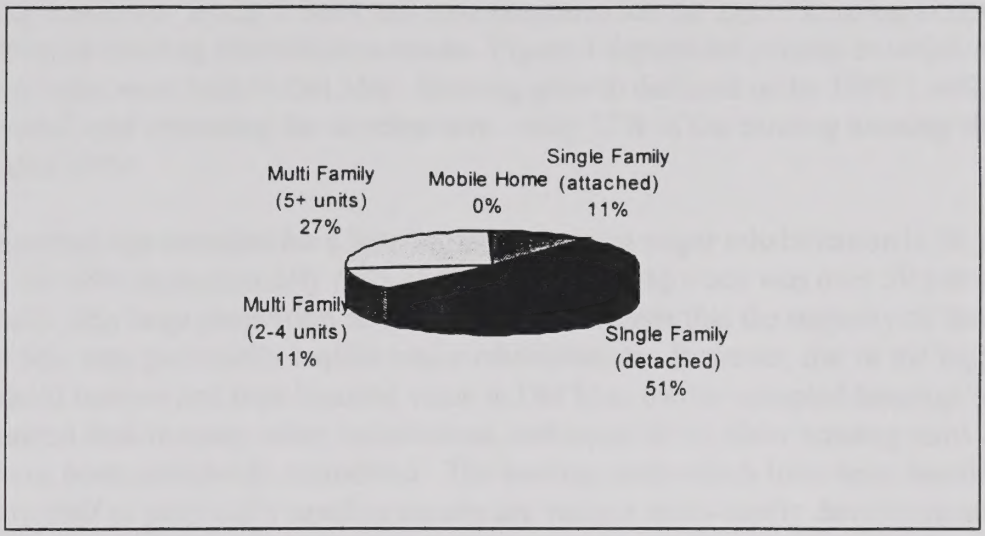
Note: The total number of housing units within the City, as shown in this table, is greater than the total number of households (shown in Table 4) since the number of households corresponds to the number of occupied housing units (shown in Table 10), and the total number of housing units identified in this table includes occupied and vacant units.
Source: [1] 1990 Census
[2] 2020 Cities/County Forecast, SANDAG, February 1999

Housing Type and Tenure

As of 1999, the majority (62%) of the existing housing stock in Del Mar consists of single-family homes (see Figure 3). Multi-family developments of 5 or more units represent the next largest section (27%) of the housing stock.

Table 10 illustrates the distribution of rental housing versus owner-occupied housing in Del Mar and in the surrounding communities. Compared to the surrounding jurisdictions, in 1990 Del Mar had one of the smallest proportions of owner-occupied housing. Correlating the type of housing in Del Mar and the high proportion of renters in the City indicates that many single-family homes were used as rentals. According to the 1990 Census, approximately 26% of the single-family units, both attached and detached, were occupied by renters. A higher percentage, 78%, of the multi-family units were also occupied by renter households.

Figure 3
Del Mar Housing Stock Composition



Source: California Department of Finance, 1999
Note: Please refer to the Glossary included at the end of this Housing Element for a definition of single-family and multi-family housing.

Table 10
1990 Housing Tenure

	Occupied Dwelling Units				
Jurisdiction	**Owner Occupied**	**% of Total Occupied Units**	**Renter Occupied**	**% of Total Occupied Units**	**Total Occupied Units**
Del Mar	1,186	53.3%	1,038	46.7%	2,224
Encinitas	12,855	61.9%	7,927	38.1%	20,782
San Diego City	196,153	48.3%	209,943	51.7%	406,096
Solana Beach	3,398	61.8%	2,097	38.2%	5,495
San Diego County	477,579	53.8%	409,824	46.2%	887,403

Source: 1990 Census

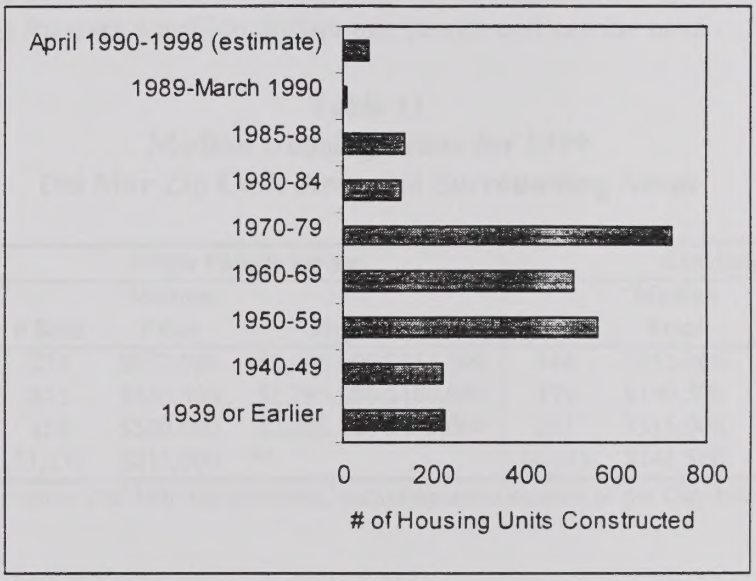
According to the San Diego County Apartment Association's Fall 1998 Vacancy Survey, the vacancy rate for rental units in Del Mar was 1.3%. This is comparable to the countywide vacancy rate of 1.7%. The low vacancy rate for Del Mar and the County as a whole indicates a tight rental housing market, providing limited mobility for renters.

Age and Housing Stock Conditions

Age of housing is an important characteristic of supply because it is often an indicator of housing condition. Many federal and state programs use the age of housing as one factor to determine housing rehabilitation needs. Figure 4 depicts the periods in which existing housing units were built in Del Mar. Housing growth declined in the 1980's, reflecting the limited land remaining for development. Only 13% of the existing housing stock was built after 1979.

The accepted age standard for a housing unit requiring major rehabilitation is 30 years or older. In 1998, approximately 59% of Del Mar's housing stock was over 30 years old. Typically, this large proportion of older housing indicates that the majority of the housing in Del Mar may potentially require major rehabilitation. However, due to the high household income and high housing value in Del Mar, owner-occupied housing is better maintained than in many other jurisdictions, and many of the older housing units in Del Mar have been completely remodeled. The housing units which have been identified by the City staff as potentially needing repairs are various multi-family developments located west of Camino Del Mar.

Figure 4
Year Existing Housing Units Constructed



Source: (1) 1990 Census (for units built prior to March 1990)
(2) California Department of Finance, 1998
(for units built after March 1990)

Housing Costs

Ownership Housing

Recent information on housing prices was obtained from the *San Diego Union Tribune* web site in February 2000 and is presented in Table 11. The data is broken into the resale of single-family homes and condominiums. As shown, the 1999 median sales price for a single-family home in the Del Mar zip code area was $672,000. The median price for a single family home in the Del Mar zip code area was higher than that in any of the surrounding jurisdictions and in the County. The median price for a condominium in the Del Mar zip code area in 1999 was estimated at $265,000, with only condominiums in Solana Beach selling at a higher median price in the surrounding jurisdictions.

According to the *San Diego Union Tribune* data, the median price for a single-family home in the Del Mar zip code area increased 17% between 1998 and 1999 and the median price for a condominium decreased by about 20% during the same period. While single-family housing prices generally have increased for the region as a whole during the past year (10% for the County as a whole), and condominium prices have dropped slightly (less than one percent for the County as a whole), the greater price variations in Del Mar's housing market may be exaggerated due to the limited number of houses and condominiums sold in the Del Mar zip code area and the wide range of housing prices. The small sample of houses sold that is used for data analysis can easily be skewed if a single house sells for over a million dollars one month and not the next.

Table 11
Median Housing Prices for 1999
Del Mar Zip Code Area and Surrounding Areas

	Single Family Homes			Condominiums		
Jurisdiction	# Sold	Median Price	High/Low	# Sold	Median Price	High/Low
Del Mar*	274	$672,000	$3,400,000/$151,500	148	$265,000	$1,070,000/$94,000
Encinitas	835	$340,000	$1,795,000/$100,000	379	$192,500	$800,000/$75,000
Solana Beach	159	$520,000	$2,400,000/$113,000	851	$315,000	$925,000/$105,000
San Diego County	31,330	$215,000	**	14,143	$144,500	**

* Home sales for the entire Del Mar zip code area, including areas outside of the City boundaries, are included.
** Not provided
Source: San Diego Union Tribune, February 2000

Housing affordability is dependent upon income and housing costs. According to the U.S. Department of Housing and Urban Development (HUD) guidelines for 1999, the median family income (MFI) for a family of four in San Diego County is $52,500. Based on this median income, the following maximum income limits for a four-person family can be established:

- Very Low Income household (0 to 50% of MFI) earns a maximum of $26,250
- Low Income household (51 to 80% of MFI) earns a maximum of $42,000
- Moderate Income household (80 to 120% of MFI) earns a maximum of $63,000

Table 12
Affordable Housing Costs by Income Category
San Diego Region

Income Category	Maximum Income	Monthly Affordable Housing Cost	Property Taxes and Homeowner's Insurance	Affordable Monthly Mortgage Payment	Maximum Affordable 30-year Mortgage	Maximum Affordable Home Price
Very low	$26,250	$656	$150	$506	$76,093	$84,548
Low	$42,000	$1,050	$200	$850	$127,761	$141,957
Moderate	$63,000	$1,575	$200	$1,375	$206,673	$229,637

Note: Calculation of affordable mortgage and home price based on a 7% interest rate, 10% downpayment, and 1999 Area Median Income for a family of four of $52,500.

Assuming that the potential homebuyer within each income group has sufficient credit, downpayment (10%), and maintains affordable housing expenses (i.e. spends no more than 30% of their gross income on the mortgage, taxes, and insurance), the maximum affordable home price can be determined for each income group. Table 12 shows the maximum housing prices affordable to the various income groups. With the 1999 median housing price of $672,000 for single-family units and $265,000 for condominiums in Del Mar, homeownership opportunities for the lower income categories are extremely limited. Moderate Income households may be able to afford only the smaller homes and condominiums in the City.

Rental Housing

Del Mar does not contain any publicly assisted rental housing. Current rental information for private rental units in Del Mar was obtained from the San Diego Apartment Association, *1998 Average Rental Rates by City/Area of San Diego*. In spring 1998, the average rent in Del Mar was $861 for a one-bedroom unit, $1,082 for a two-bedroom unit, and $1,150 for a three-bedroom unit. Since the spring of 1998, the real estate market, for both rentals and for-sale homes, has become tighter, increasing the cost and decreasing the availability of rental units for the region. As a result, it is expected that actual cost of renting in Del Mar has increased from the spring 1998 level.

Based on the household income limits identified above in Table 12, a Low Income household can afford to pay a maximum rent of $656 a month, while a Moderate Income household is able to pay up to $1,575 a month in rent. Very Low Income households cannot afford to rent in the City without overpaying for housing. Often, large households with Very Low Incomes have to resort to smaller units in order to save on housing costs, and overcrowding typically occurs. Low Income households may be able to afford one- or two-bedroom units, but larger size housing is beyond their reach without overextending their housing expenses.

Section 3. Constraints on Housing Production

Market, governmental, infrastructure, and environmental factors pose constraints to the provision of adequate and affordable housing. These constraints may result in housing that is not affordable to low and moderate income households, or may render residential construction economically infeasible for developers.

A. Market Constraints

Land and Construction Costs

The limited supply of vacant land designated for residential uses and the desirability of living in the area accounts for the high land costs in the City. According to a real estate agent who works in the City, the prices of vacant single-family residential lots in Del Mar begin at $550,000 and can exceed $1 million. The extremely high cost of vacant land poses the largest constraint to the construction of affordable housing within Del Mar.

Another major cost associated with building a new house is the cost of building materials, which can comprise up to 50% of the sales price of a home. Construction costs for wood frame single-family construction of average to good quality range from $50 to $70 per square foot, while custom homes and units with extra amenities run even higher. Given the high land costs, homes being built in Del Mar have been primarily high-end custom homes. Costs for wood frame, multi-family construction average about $50 per square foot excluding parking.

Availability of Mortgage and Rehabilitation Financing

Under the Home Mortgage Disclosure Act (HMDA), lending institutions are required to disclose information on the disposition of loan applications and the income, gender, and race of loan applicants.

In 1997, the top mortgage lenders in Del Mar were Washington Mutual Bank, Headlands Mortgage Company, and Chase Manhattan Mortgage Corporation. A total of 183 households applied for conventional mortgage loans to purchase homes in the City in 1997. Approximately 69% of loan applications were originated (approved by lenders and accepted by applicants) and an additional 10% were approved by lenders, but not accepted by the applicants. Due to the generally high incomes of the applicants, only 11% of the loan applications were denied, lower than the County average of 14%. Only 21 households in Del Mar applied for home improvement loans in 1997, and 67% were approved. This rate of approval is higher than the County's rate of 57% approval.

The great majority of those applying for home purchase and improvement loans (185 households) were upper income households. Few lower income households applied for

home purchase or improvement loans for housing in Del Mar. However, among those applied, all were approved. Financing is generally available to households of all income levels. The low number of lower income households applying for financing in Del Mar is a direct result of the high housing costs in Del Mar that precludes lower income households from finding affordable units.

B. Governmental Constraints

Land Use Controls

The Community Development Element of Del Mar's Community Plan, the City's Local Coastal Land Use Plan, and corresponding zoning provide for a range of residential types and densities dispersed throughout the City. The Zoning Ordinance, which is consistent with the Community Plan, provides for the following residential categories:

- Very Low Density Residential (R1-40) (1 unit/net acre)
- Modified Low Density Residential (R1-14) (Max. 3.1 units/net acre)
- Low Density Residential (R1-10) (Max. 4.3 units/net acre)
- Low Density Residential - Beach (R1-10B) (Max. 4.3 units/net acre)
- Medium Density Single Family Residential (R1-5) (Max. 8.7 units/net acre)
- Medium Density Single Family Residential - Beach (R1-5B) (Max. 8.7 units/net acre)
- Medium Density Mixed Residential - East (RM-East) (Max. 8.8-17.5 units/net acre)
- Medium Density Mixed Residential - West (RM-West) (Max. 8.8-17.6 units/net acre)
- Medium Density Mixed Residential - Central (RM-Central) (Max. 6.3-12.5 units/net acre)
- Medium Density Mixed Residential - South (RM-South) (Max. 10.9-12.5 units/net acre)
- High Density Residential (R-2) (Max. 8.8-12.5 units/acre)
- Residential Commercial (RC) (Max. 8.8-12.5 units/net acre)
- Carmel Valley Precise Plan (As allowed under the Carmel Valley Precise Plan)
- Professional Commercial (PC) (Max. 1 unit/parcel)
- North Commercial (NC) (Max. 1 unit/parcel)
- Central Commercial (CC) (Max. 1 unit/parcel)

These residential categories provide for a range of housing types to be developed in Del Mar. Given the extremely high costs of land in Del Mar, increasing residential densities will not necessarily facilitate the development of housing affordable to Very Low or Low Income households.

Furthermore, Del Mar is primarily built out; future residential development will occur as in-fill housing on existing lots. Maintaining these residential categories is important for ensuring compatibility between the new and existing housing.

To facilitate the production of affordable units, the City adopted a Second Unit Ordinance in April 1999 which allows second units to be built within the Very Low Density (R1-40), Modified Low Density (R1-14), Low Density (R1-10), and Low Density-Beach (R1-10B) districts. The second units are required to be deed-restricted as rentals for Low Income individuals for at least 30 years. Since adoption of the Second Unit Ordinance, the City has already received several inquiries regarding the provisions of this ordinance. The City has also achieved the deed-restriction of two existing second units. As part of the City's effort in providing affordable housing opportunities for Low Income households in the coming years, the City will explore the feasibility of abating existing illegal second units provided that deed-restrictions for Low Income use can be achieved.

Residential Development Standards

Del Mar's residential development standards are summarized in Table 13. Overall, these development standards are comparable to jurisdictions in the County and not viewed by the development community as constraints to housing construction. The overriding constraint in Del Mar is the limited supply of vacant residential land and the high land costs.

Parking Standards

In addition to the development standards identified in Table 13, Del Mar requires a certain number of garage parking spaces to be provided for each new residential unit, and units that have been remodeled over a 50% valuation. The requirements are identified in Table 14.

Typically, the cost associated with garage parking construction can be viewed as a constraint to affordable housing development, particularly for multi-family housing. However, the limited supply of vacant land combined with the high land costs result in little housing being developed in the City in the past few years and little potential for future housing. Most vacant lots remaining in the City are single-family lots where the provision of garage parking is a standard feature.

As indicated earlier, the City adopted a Second Unit Ordinance to provide for second unit opportunities to promote affordable housing in the City. To facilitate such development, the Second Unit Ordinance waives the garage parking requirement for second units, but still requires one uncovered on-site parking space.

Maximum Building Height

The City's Local Coastal Plan, as approved by the California Coastal Commission, restricts the maximum building height within the City to 26 feet.

Table 13
Residential Development Standards

Zone	Min. Lot Size	Max. FAR	Max. Lot Coverage	Max Height	Front Yard	Rear Yard	Interior Side Yard	Street Side Yard
Very Low Density	40,000 sq.ft.	12.5%*	20%**	26 feet	20 feet	25 feet	10 feet	10 feet
Modified Low Density	14,000 sq.ft.	25%*	35%**	26 feet	20 feet	25 feet	7.5 feet	10 feet
Low Density	10,000 sq.ft.	25%*	40%**	26 feet	20 feet	25 feet	7.5 feet	10 feet
Low Density-Beach	10,000 sq.ft.	30%*	45%**	26 feet	10 feet	10 feet	5 feet	10 feet
Medium Density Single-Family	5,000 sq.ft.	30%*	45%**	22 feet	20 feet	20 feet	5 feet	10 feet
Medium Density Single-Family-Beach	5,000 sq.ft.	55%	80%	26 feet	10 feet	10 feet	5 feet	10 feet
Medium Density Single-Mixed-East	5,000 sq.ft.	40%	55%	26 feet	20 feet	20 feet	5 feet	10 feet
Medium Density Mixed-West	5,000 sq.ft.	45%	60%	26 feet	10 feet	10 feet	5 feet	10 feet
Medium Density Mixed-Central	7,000 sq.ft.	30%	45%	26 feet	20 feet	20 feet	5 feet	10 feet
Medium Density Mixed-South	8,000 sq.ft.	35%	50%	26 feet	20 feet	20 feet	10 feet	10 feet
High Density Mixed	7,000 sq.ft.	35%	50%	26 feet	20 feet	20 feet	5 feet	10 feet
Residential-Commercial	7,000 sq.ft.	30%	55%	26 feet	20 feet	0 feet	5 feet	10 feet
Camel Valley Precise	As allowed under the Carmel Valley Precise Plan							

FAR= Floor Area Ratio
* Or 2,000 square feet, whichever is greater
** Or 3,000 sq.ft., whichever is greater

Table 14
Garage Parking Requirements

Unit Type	0-1 Bedrooms	2-3 Bedrooms	4+ Bedrooms
Single-Family	2 spaces/unit	2 spaces/unit	2 spaces/unit*
Duplexes	1 space/unit	1 space/unit*	2 spaces/unit**
Multi-Family	1 space/unit	1 space/unit*	2 spaces/unit*

* Plus 1 additional on-site parking space, or 1 additional garage parking space
** Plus 1 additional on-site parking space

Inclusionary Housing/ In-Lieu Fees

The City's Affordable Housing Assistance program codified in the Zoning Ordinance contains the following provisions requiring that certain housing development pay an in-lieu fee or set aside inclusionary units as affordable housing:

- The creation/conversion of two units (duplex) requires payment of in-lieu fees;
- The creation/conversion of three or more units requires the reservation of two-thirds of the total number of multi-family, condominium units for rental at or below the "Fair Market Rent" to tenants qualifying for Section 8 Rental Assistance, and in-lieu fees cannot be used to meet this requirement; and
- For subdivisions of 10 or more residential units, one lot for every 10 shall be reserved for rental at or below the "Fair Market Rent" to tenants qualifying for Section 8 Rental Assistance, or the developer may choose to pay an in-lieu fee.

Given the extremely high ownership housing costs (for both single-family homes and condominiums) as demonstrated in Tables 11 and 12, rental housing remains the only viable option for providing affordable housing opportunities for lower income households in Del Mar. To preserve the City's rental housing stock from converting to condominiums, the City has established in-lieu fees and set-side requirements on condominium conversions. The fees collected are used to provide affordable housing opportunities. Currently, the City charges an in-lieu fee in the amount of $4,680 per unit. This fee level is much lower than in-lieu fees charged by similar jurisdictions.

While the inclusionary ordinance does work to preserve existing affordable rental projects of three or more units within the City, the ordinance may potentially constrain the construction of new multi-family ownership housing. Typically, the in-lieu fee for new duplexes is passed through to the purchasers of the units, increasing the price of the units. Also, the two-thirds set-aside requirement for rental to qualified very low income households for projects of three or more units also may discourage the development of new larger condominium projects.

Imposing set-aside and in-lieu fee requirements on new subdivisions is also a means by which the City seeks to provide affordable housing opportunities for lower income households. Because the City provides an in-lieu fee option, the inclusionary requirements for new subdivisions have not constrained new subdivision housing development. Furthermore, the City is mainly built out, and there is no land remaining for subdivision into 10 or more residential lots. As a result, the application of inclusionary requirements on new subdivisions will be limited.

Through the in-lieu fee options for both condominium conversions and new subdivisions, the City has established a Housing Assistance Fund. The funds collected have been used to provide rent subsidies to Very Low Income households.

Development and Planning Fees

Development cost is often a constraint to housing development. Typically, the cost to develop raw land is significantly increased by various regulations and fees local governments impose on developers. Since Del Mar is built-out and future development will occur on in-fill sites, the high development costs associated with developing raw land and improving infrastructure systems are not applicable.

The City charges various fees and assessments to cover the costs of processing permits and providing certain services and utilities. Table 15 summarizes the City's planning and development fees. The City recently increased its fees based on an analysis of the actual cost of processing the various permits. As a result, the newly adopted fees reflect 50 to 80 percent of the actual processing cost. The adopted fee schedule shown in Table 15 will become effective in July 2001, with interim fees (50 percent of the adopted fees) effective immediately. In addition to City fees charged at the time building permits are issued, developers are required to pay school impact fees. The amount of school fees is controlled by State law. Due to the high cost of land in Del Mar, the fees charged by the City and school district do not create a constraint to the construction of market rate housing since the fees only comprise a very small percentage of the entire cost to construct a house in Del Mar. In addition, as stated in Program 16, Fee Waiver Program, of this Housing Element, the City will adopt a fee waiver program for affordable housing development, including second units, in 2001. Therefore, planning and development fees in Del Mar will not create a constraint to the construction of affordable housing.

The *1998 Development Impact Fee Survey, SANDAG Evaluating Economic Prosperity in the San Diego Region: 1998 Update* compared the per square foot development fees for a prototype project. As shown in Table 16, in 1998 Del Mar charged the lowest development fees per square footage compared to the surrounding jurisdictions. Even with the recent increase in fees, Del Mar's fees should still be comparable or lower than the surrounding jurisdictions.

Table 15
2001 Development Fees

Development Process	Fee
Design Review Board	
Improvement (<501 sq.ft.)	$1,080
Improvement (501-1,500 sq.ft.)	$1,660
Improvement (>1,500 sq.ft.)	$2,240
Plus Notification (typical total charge: $85)	
Flat Fee	$50
Charge per parcel within 300 feet of property	$.65/parcel
Charge per label sheet	$1/label sheet
City Plan Check	
New Multi-family	$740/unit
New Single-family	$640/unit
Addition (>100 sq.ft.)	$440/unit
Addition (<100 sq.ft.)	$260/unit
Second Affordable Unit Fee	$100
Construction Licensing Tax	
All Development	$.35/sq.ft.
Engineering (typical charges: $300, $700/average charge: $500)	$150-$1,400
Water/Sewer (average charge: $8,963)	
5/8" Meter	$6,824
3/4" Meter	$8,232
1" Meter	$11,834
County Building Plan Check	
Single-family Dwelling Unit with Finished Garage	$1,344-$5,791
Single-family Dwelling Unit Additions	$542-$1,504
Private Garages/Sheds	$141-$914
School Fees (San Dieguito Union High School District)	$1.93/livable sq.ft.

Source: City of Del Mar, 2000.

Table 16
1998 Residential Development Fees
(Per Prototype)

Jurisdiction	Development Fees per Prototype
Del Mar	$3.47/sq.ft.
Encinitas	$8.05/sq.ft.
City of San Diego	Not provided by SANDAG
Solana Beach	$7.92/sq.ft.
San Diego County	Not provided by SANDAG

Source: 1998 Development Impact Fee Survey, SANDAG Evaluating Economic Prosperity in the San Diego Region: 1998 Update

Building Codes and Enforcement

Del Mar has adopted the Uniform Building Code (UBC) and has not made any additional modifications to the UBC. This code is considered to be the minimum necessary to protect the public health, safety, and welfare. Del Mar contracts with the County to enforce the UBC.

Local Processing and Permit Procedures

The evaluation and review process required by the City procedures contributes to the cost of housing in that holding costs incurred by developers are ultimately manifested in the unit's selling price. The City's review process for new residential construction and substantial additions includes an initial design review by City staff to evaluate the project's potential impact to the neighboring properties. Once this review is complete, the County is contracted for the Building Permit Check. The following describes typical time requirements for processing a permit for a single-family home in Del Mar:

- Design Review Board – 2 months
- Drainage Review – 1 month
- Follow-up – 1 month

In addition, Del Mar has not yet adopted the Local Coastal Program (LCP) Implementing Ordinances. Without an adopted LCP, all development within the Coastal Zone must be approved by the California Coastal Commission. Since the entire City is located within the Coastal Zone, all development, including residential development, must be reviewed and approved by the Coastal Commission. This review process may add up to an additional six months to one year to the processing time required for new residential development.

However, the California Coastal Commission has recently approved the City's LCP Implementing Ordinances with suggested modifications. The Del Mar City Council now needs to adopt these modifications before the California Coastal Commission will approve the final LCP Implementing Ordinances. Once the final LCP Implementing Ordinances are adopted and approved by both the City Council and Coastal Commission, future development within the City will not require Coastal Commission approval, except for land in the original Coastal Commission jurisdiction, and the permitting time will be reduced substantially. Issuance of a coastal permit can occur concurrently within the two-month design review time frame.

Design Review Ordinance

Since Del Mar is mainly built out, all development proposals are carefully reviewed to assess their potential impacts upon existing neighborhoods in accordance with the City's Design Review Ordinance. The Ordinance provides design review standards to ensure

that all proposals are of good design and encompass the appropriate use of landscaping, harmonious materials and colors, and that proportional relationships are maintained between structures. The City's Design Review process generally extends the application process by approximately two months, unless lengthened by appeal. As less than 5% of the Design Review Board's 350 actions in the past 5 years were appealed to the City Council, design review procedures in Del Mar are not adversely affecting the provision of housing.

Historic Preservation Overlay

The City has identified several properties within the City that warrant additional protection to preserve their historic character. Affected properties must meet more stringent design requirements. Only three such properties are identified within residential zones (RM-West, RM-Central, and R-2). Since the overlay zone only affects three residential properties, the Historic Preservation Overlay does not pose a significant constraint to the production of housing within Del Mar.

Open Space Overlay

Less than five vacant residential lots are subject to the Open Space Overlay. The Open Space Overlay zone allows development consistent with the underlying zoning, but requires that any proposed development receive a Conditional Use Permit. This permit will allow the City to evaluate the proposed development for compliance with the development criteria described in the Open Space Element of the Community Plan. If it is found that a period of time is required to allow residents of the neighborhood to acquire the property to preserve it for open space use, the City may delay action on the Conditional Use Permit for up to a year. As a result, the Open Space Overlay may add additional processing time and reduce the development potential of residential land within the overly zone.

State Tax Policies and Regulations

Article 34 of the California Constitution

Article 34 was enacted in 1950. It requires that low-rent housing projects developed, constructed, or acquired in any manner by any State or public agency, including cities, receive voter approval through the referendum process. The residents of Del Mar have not passed a referendum to allow the City to develop, construct, or acquire affordable housing.

While California Health and Safety Code further clarifies the scope and applicability of Article 34 to exclude housing projects that have deed-restriction on less than 49% of the units or rehabilitation/reconstruction of housing projects that are currently deed-restricted or occupied by low-income persons, Article 34 still constitutes an obstacle for local governments to be directly involved in production of long-term affordable housing.

Environmental Protection

State regulations require environmental review of proposed discretionary projects (e.g., subdivision maps, use permits, etc.). Costs resulting from fees charged by local government and private consultants needed to complete the environmental analysis, and from delays caused by the mandated public review periods, are also added to the cost of housing and passed on to the consumer. However, the presence of these regulations helps preserve the environment and ensure environmental safety to Del Mar residents.

C. Infrastructure Constraints

Another factor adding to the cost of new construction is the cost of providing adequate infrastructure (major and local streets; water and sewer lines; and street lighting) which is required to be built or installed in new residential development. In most cases, these improvements are dedicated to the City, which is then responsible for their maintenance. The cost of these facilities is borne by developers, and is added to the cost of new housing units, and is eventually passed on to the homebuyer or property owner.

D. Environmental Constraints

Del Mar is almost completely surrounded by significant natural landforms and resources. To the west is the Pacific Ocean; the San Dieguito Lagoon and its associated floodplain and upland hillside areas wrap around the City's northern and eastern boundaries; and to the south is the Penasquitos Lagoon. These natural features form environmental constraints to residential development by creating natural hazards that threaten the public safety and welfare. To protect the public safety and welfare from hazards such as fire, flooding, landslides, and erosion, the City limits the amount and/or type of development allowed within the high risk areas by applying the following overlay zones to land within the floodplain and on the hillsides, canyons, and bluffs. These overlay zones also serve to protect these significant natural features from environmental degradation, such as increased run off and sedimentation, related to new development.

Floodplain Overlay Zone: This overlay zone affects residential property located in the RM-East, RM-West, R1-10B, R1-5B, and a northern section of land designated for R1-14. Development within this zone must be designed to be able to withstand a 100-year flood as defined by the Federal Emergency Management Agency (FEMA).

Bluff, Slope, and Canyon Overlay Zone: This overlay zone affects most R1-40 properties and a few parcels designated as R1-14 and R1-10. Specific design criteria and site treatment is required for properties affected by the Bluff, Slope, and Canyon Overlay zone.

Section 4. Housing Resources

This section of the Housing Element describes and analyzes the resources available to the City of Del Mar for the development, rehabilitation, and preservation of housing.

A. Sites for Housing Development

Vacant Sites and Mixed Use Potential

An important component of the Del Mar Housing Element is the identification of sites for future housing development, and evaluation of the adequacy of this site inventory in accommodating the City's share of regional housing growth, as determined by SANDAG. The City's share of regional housing growth can only be met through the construction of new housing units.

City staff completed a parcel by parcel review to estimate the realistic dwelling unit potential of the vacant and underutilized land within Del Mar. As an older community, virtually all of Del Mar's residential neighborhoods are built-out. Vacant sites primarily consist of individual scattered lots in existing neighborhoods. Table 17 shows Del Mar's residential development potential by zoning district. As indicated, Del Mar can accommodate 58 net new dwelling units based on zoning on vacant properties.

Table 17
Residential Development Potential

Zoning District	Maximum Residential Density (du/ac)	Total Vacant Acreage	Number of Parcels	Net Dwelling Units
Very Low Density	Max. 1 unit/net acre	7.84	9	9
Modified Low Density	Max. 3.1 units/net acre	3.67	6	6
Low Density	Max. 4.3 units/net acre	7.83	18	18
Low Density – Beach	Max. 4.3 units/net acre	0.75	2	2
Medium Density Single Family – Beach	Max. 8.7 units/net acre	0.37	3	3
Medium Density Mixed Residential – East	Max. 8.8-17.5 units/net acre	0.33	3	6
Medium Density Mixed – West	Max. 8.8-17.6 units/net acre	0	0	0
Medium Density Mixed – Central	Max. 6.3-12.5 units/net acre	0.16	2	2
High Density	Max. 8.8-12.5 units/net acre	1.05	6	11
Carmel Valley Precise Plan	As allowed under the Plan	0.34	1	1
Total		22.57	50	58

Source: City of Del Mar, August 1999.

As a means of providing increased opportunities for residential development and to provide a transition between residential and commercial activities, the Del Mar Zoning Ordinance has established a Residential-Commercial designation. The intent of this designation is to provide additional opportunities for high density residential

development (up to 12.5 units per net acre) along Stratford Court between 13th and 15th Streets. At this time the City is processing a request to replace existing commercial uses on two parcels with two residential duplexes within the Residential-Commercial district.

The Professional Commercial, North Commercial, and Central Commercial Zones also allow for a mixture of residential and commercial uses. One dwelling unit is allowed as an accessory use on the same site as a permitted use.

Second Units

As a primarily built-out community, the City recognizes its residential development potential on vacant land is limited. As previously noted, in response to the need to accommodate future housing growth, the City adopted a Second Unit Ordinance in April 1999. This ordinance allows second units to be built within the Very Low Density (R1-40), Modified Low Density (R1-14), Low Density (R1-10), and Low Density-Beach (R1-10B) districts if the following conditions are met:

- the parcel meets the minimum lot size specified for the underlying zone;
- the second unit does not exceed 550 square feet;
- the rental fee charged for the second unit is affordable to individuals that qualify as Low Income;
- the second unit is deed-restricted for rental to only Low Income individuals for at least 30 years; and
- One on-site parking space (covered or uncovered).

To facilitate the development of second units, the Ordinance waives the garage parking requirement for second units. Applicants for second units only have to provide one on-site parking space for the second unit. This one on-site parking space is in addition to the parking spaces required for the primary residence located on the same parcel.

Since the adoption of the Second Unit Ordinance there have been several inquiries regarding the construction of second units. Deed-restrictions on two second units have been achieved to date under the recently adopted Second Unit Ordinance.

Residential Development Potential Compared with Del Mar's Share of Regional Housing Growth Needs

As a regional planning agency, SANDAG has adopted a *Regional Housing Needs Statement (RHNS)* for its member cities. For Del Mar, SANDAG has established the City's share of regional housing growth needs as 23 additional units for the period of 1999 to 2004 to accommodate households with the following income distribution:

- Very Low Income (0-50% County MFI) – 7 units
- Low Income (51-80% of County MFI) – 6 units
- Moderate Income (81-120% of County MFI) – 5 units
- Above Moderate Income (>120% of County MFI) – 5 units

Based on the vacant residential sites and opportunities for mixed-use development, the City has adequate number of vacant sites available to accommodate its share of 23 new units. However, given the high land costs and limited availability of land suitable for higher density development in the City, new residential development will primarily be moderate to upper end housing, not affordable to lower income households. The State HCD uses the following density guidelines to assess affordability:

- a density of at least eight units per acre is required to provide housing affordable to Moderate Income households;
- a density of at least 18 units per acre to provide housing affordable to Low Income households; and
- a density of at least 25 units per acre to provide housing for Very Low Income households.

Even if the City designated land for higher densities, given the extremely high land costs in the City, the resulting housing would continue to be affordable to only Moderate and Upper Income households.

Recognizing the constraints facing the City in the provision of affordable housing through new construction, the City is pursuing alternative methods to provide affordable housing, such as second units and mixed-use development. The Housing Plan section of this Element describes the City's efforts in fulfilling the RHNS.

B. Financial Resources

The unique circumstances in Del Mar limit the range of financial resources available to the City. As the smallest city in San Diego County, the City is not entitled to receive federal housing funds directly from HUD. The high property values in the City disqualify virtually all properties from public and private mortgage assistance programs. This section discusses the two primary resources currently available to Del Mar.

Community Development Block Grant (CDBG) Program

As a small city, Del Mar is not eligible to receive Community Development Block Grant (CDBG) funding directly from HUD. Instead, the City participates in the CDBG program through a cooperation agreement with the County of San Diego Department of Housing and Community Development. Based on its population, the City is eligible to receive approximately $26,000 annually from the County. The City has, in the past, used these CDBG funds primarily for providing direct rental housing subsidies to Very Low Income households through its Housing Assistance Program.

Housing Assistance Fund

To ensure that housing is provided for all economic segments of the population, Del Mar adopted the Affordable Housing Assistance program in its Zoning Ordinance. The

program establishes affordable housing requirements for the development of multi-family ownership housing, conversion of existing units into condominiums, and new subdivisions with ten or more lots. Under certain circumstances, the developers may pay a fee in lieu of providing inclusionary affordable housing units on site.

All fees collected under the Affordable Housing Assistance program are deposited into an Affordable Housing Fund. Allowable uses of the fund include: administration of housing programs; maintaining set-aside (inclusionary) units; construction programs; and providing rental subsidies for qualified tenants. The majority of the housing fund has been used for rental subsidies and shared housing programs. The Fund currently maintains a balance of $480,000 and receives a deposit of approximately $26,000 in CDBG funds and $20,000 in interest annually. Recognizing the importance of providing affordable housing opportunities within Del Mar, the City Council has also budgeted an additional $54,000 of General Fund monies for FY 2000/01 and 2001/02 to increase the number of lower income households in Del Mar receiving rental subsidies. The City Council will review the continued use of General Fund monies for rental subsidies on an annual basis to evaluate the effectiveness of the program and availability of funding.

C. Infrastructure and Facilities

As a highly urbanized community, infrastructure facilities are available to serve development throughout Del Mar. The majority of the land designated for residential use is served by sewer lines, water lines, storm drains, telephones, and electrical and gas lines.

D. Energy Conservation

As residential energy costs rise, increasing utility costs reduce the affordability of housing. The City has many opportunities to directly affect energy use within its jurisdiction. Title 24 of the California Administrative Code sets forth mandatory energy standards for new development, and requires adoption of an "energy budget." The home building industry must comply with these standards while localities are responsible for enforcing the energy conservation regulations.

Section 5. Accomplishments under Adopted Housing Element

State Housing Element law requires communities to assess their achievements under adopted housing programs as part of the update to the housing element. Del Mar's 1991-1999 Housing Element identified the following overall quantified objectives:

- Rehabilitate 10 housing units (four Very Low and six Low Income);
- Construct 65 new market rate housing units; and
- Construct an additional 33 housing units affordable to Very Low and Low Income households.

To achieve these objectives the City identified the following programs and objectives related to each program. The associated achievements between July 1, 1991 and June 30, 1999 are summarized for each program.

A. Conserving and Improving the Existing Stock of Affordable Housing

Program: Preservation of Existing Affordable Housing

Objectives:

- Implement the Condominium Conversion Ordinance to retain the same number of Low and Moderate Income housing units on the same site or use the In-lieu Fee.
- Establish a program to further monitor and prevent the demolition or conversion of existing affordable housing units through implementation of the City's Subdivision Ordinance and modification of zoning code language.
- Adopt zoning language allowing maintenance of non-conforming multi-family densities.

Accomplishments: The City continues to implement its Condominium Conversion Ordinance. Between 1995 and 1999, three rental units were converted into condominiums and seven new condominium units were constructed. In-lieu fees were collected and deposited into the Housing Assistance Fund for the rent subsidies and shared housing programs. During the 1999-2004 Housing Element period, the City will review the in-lieu fee currently charged for duplex conversions and potentially restructure the in-lieu fee program to further discourage the conversion of such units or to generate sufficient funds to assist the displaced households.

In 1992, the City modified its Subdivision Ordinance to require that projects proposing to construct three or more multi-family condominium units or convert three or more existing multi-family units to condominiums set-side two-thirds of the units for rental to tenants

qualifying for Section 8 rental assistance. The City will review the ordinance during the 1999-2004 Housing Element period to ensure that the ordinance does not constrain the development of larger, new multi-family ownership projects, while protecting existing rental units.

To further preserve the affordable multi-family housing stock, the City adopted language in its Zoning Ordinance to allow the reconstruction and alteration of non-conforming multi-family developments of three or more units. The ordinance allows for the preservation of existing, non-conforming residential densities.

Program: Housing Repair Assistance

Objectives:

- Enforce building and housing codes on a complaint basis to correct building or housing code violations.
- Use CDBG funds to provide grants or low interest loans to assist 10 lower income households for making repairs.

Accomplishments: The City of Del Mar contracts with the County of San Diego to enforce the Uniform Building Code. Del Mar provides code enforcement services.

Given the limited CDBG funding available to the City, the City used its CDBG allocation to continue its rental assistance program and did not provide rehabilitation grants or loans to lower income households.

Program: Rental Assistance

Objectives:

- Provide Section 8 assistance for three to five families.
- Continue to assist eight households with the City's Housing Assistance Fund.

Accomplishments: During 1991-1999 there were no households within the City using Section 8 rental assistance. This is due to the high rental costs in Del Mar which exclude Section 8 certificate or voucher holders from locating units at fair market rates. The City did continue to use its Housing Assistance Fund to provide rental assistance to eight households.

Program: Compliance with Coastal Zone Requirements

Objectives:

- Comply with the Coastal Zone Requirements

Accomplishments: As the entire City is located in the coastal zone, Government Code Section 65588(d) requires the City to include in its Housing Element:

1) a review of the number of housing units approved for construction within the coastal zone after January 1, 1982;
2) the number of housing units for persons and families of low or moderate income provided in new housing developments either within the coastal zone or within three miles of the coastal zone;
3) the number of existing residential units occupied by persons and families of low or moderate income that have been authorized to be demolished or converted since January 1, 1982 in the coastal zone; and
4) the number of residential units for persons and families of low or moderate income that have been required for replacement of units. This section will address these requirements.

Since January 1, 1982, an estimated 77 units have been constructed in the coastal zone. Residential development in the City has predominately consisted of single family in-fill projects. Since January 1, 1982, an estimated 54 units have been authorized for demolition in the coastal zone, none of which were occupied by Low or Moderate Income households. None of the new residential units constructed are affordable to Moderate Income households. In-lieu fees were not collected since the new units were exempt from the City's inclusionary/in-lieu fee ordinance. Larger developments are required to provide for housing affordable to Low Income households either by setting aside rental units, or by paying in-lieu fees. Del Mar's Housing Element includes programs that codify the City's inclusionary/in-lieu fee housing ordinance, which addresses Coastal Act requirements.

B. Assisting in the Development of Adequate Housing to Meet the Needs of Low and Moderate Income Households

Programs: Density Bonus

Objectives:

- Prepare a Density Bonus Implementation Ordinance.

Accomplishments: The City is primarily built out; therefore, there is limited opportunity for any residential development of significant size. Furthermore, the high land costs in the City make development of affordable housing even with density bonuses virtually infeasible. As a result, no development application between 1991 and 1999 requested or was eligible for a density bonus. While the City has not adopted a separate Density Bonus Ordinance, it continues to adhere to the State Density Bonus provisions and will apply these provisions to applicable future development.

The State Density provisions require that if a developer allocates at least 20% of the units in a housing project to lower income households, 10% for Very Low Income households, or at least 50% for "qualifying residents" (e.g. seniors), the City must either: a) grant a density bonus of 25%, along with one additional regulatory concession to ensure that the housing development will be produced at a reduced cost, or, b) provide other incentives

of equivalent financial value based upon the land cost per dwelling unit. The developer shall agree to and the City shall ensure continued affordability of all lower income density bonus units for a minimum 30-year period.

Program: In-Lieu Fee

Objectives:

- Review the In-Lieu Fee program to ensure that the fee covers the costs of replacing the low-income unit.
- Complete a strategic study within 12 months of Housing Element adoption for the planned use of the Housing Assistance Fund and CDBG funds.
- Facilitate development of 10 units during the planning period.

Accomplishments: The City has prepared a fiscal strategy for the use of the Housing Assistance Fund to provide affordable housing. Given the limited housing activities that occurred between 1991 and 1999, deposit into the Housing Assistance Fund has also been limited. The housing fund collected is insufficient to facilitate housing construction. The City uses the fund to provide rental subsidies to eight households. As part of the 1999-2004 Housing Element update, the City recognizes the need to review its in-lieu fee program for the conversion of existing duplexes.

Program: Linkage Development Fund

Objectives:

- Initiate a "nexus study" to determine the impact of commercial development on housing resources.

Accomplishments: The nexus study was not completed since the City found that it was not applicable to Del Mar as the City is mainly builtout with limited opportunities for new commercial development, and the existing commercial development is well-maintained and is not anticipated to be redeveloped in the near future.

Program: Second Unit

Objectives:

- Create a Second Unit Ordinance that includes incentives for second unit construction.

Accomplishments: Del Mar adopted a Second Unit Ordinance in April 1999 to help facilitate the provision of affordable housing. The ordinance contains incentives for construction of affordable second units. Garage parking requirements are waived for second units rented to low income households, though one on-site parking space is required.

Program: Transitional Housing and Related Assistance

Objectives:

- Establish zoning language that allows transitional housing within specific residential zones and provides relief from appropriate zoning standards.
- Continue to work with Lifeline to provide housing related assistance.

Accomplishments: While the City did not adjust the Community Plan and Zoning Ordinance to allow transitional housing shelters, the City has continued to contract with Lifeline to provide referral services to homeless persons within Del Mar. Lifeline also provides a number of housing related services, including identifying potential shared housing opportunities. Such services are available to the homeless. According to the January 2000 Regional Task Force on the Homeless publication "The Distribution of Public Funds for Homeless Services and Cash Assistance in San Diego County", the City of Del Mar has budgeted the third highest ratio of dollars per capita in San Diego County for homelessness for 2000, allocating $4.13 per resident.

C. Identifying Adequate Housing Sites to Accommodate the City's Share of Regional Housing Growth

Program: Land Use Element and Zoning Ordinance

Objectives:

- Continue to implement and augment the Land Use Element and Zoning Ordinance.
- Retain consistency between the General Plan/Land Use Element and the Zoning Ordinance.
- Review applications for mobile home installation on residential lots and continue to implement the current provisions contained in the Zoning Ordinance for manufactured housing/mobile homes.
- Modify the standards of the Central Commercial Zone to encourage affordable residential living, including modifying the current residential parking requirements.

Accomplishments: The City continues to implement the Land Use Element of the Community Plan through provisions and standards established in the Zoning Ordinance.

Del Mar contains only four mobile home units. Given the extremely high land prices, mobile and manufactured homes are typically not feasible housing options in the City. Therefore, the City has not adopted any programs specifically targeted to the preservation and promotion of mobile homes, although the Zoning Code does allow mobile homes within specified residential districts.

The City's Zoning Ordinance was not modified to provide additional incentives for affordable housing within the Central Commercial Zone since the Assisted Housing

Corporation then found that the Central Commercial Zone was not the appropriate area for affordable housing development. As part of this Housing Element update, the City recognizes the need to reevaluate its land use policy regarding mixed use developments in order to expand affordable housing opportunities. The potential and feasibility of allowing mixed use development in the Central Commercial and Professional Commercial districts will be assessed.

D. Removing Governmental Constraints

Programs: Fees/Processing

Objectives:

- Adopt a fee waiver policy for affordable housing development.
- Streamline the processing of affordable housing development.
- Establish zoning language to reduce the garage parking requirements for affordable multi-family housing units.

Accomplishments: The City is currently investigating fee waiver and streamlining policies for new affordable housing development. These policies will reduce the costs associated with housing development.

The Second Unit Ordinance that the City adopted in April 1999 eliminates the garage parking requirement for affordable second units.

The City has not modified its parking requirements to reduce the garage parking requirements for affordable multi-family projects.

E. Promoting Equal Housing Opportunities

Programs: Fair Housing Program
Housing Referral Services

Objectives:

- Post a notice of the availability of a fair housing program.
- Establish a procedure for referral of fair housing complaints to the appropriate agencies.
- Adopt a resolution encouraging the use of the fair housing symbol.
- Complete a fair housing impediments analysis.

Accomplishments: The City of Del Mar participates through the San Diego County Consortium for the use of CDBG funds. In 1996, the County Consortium conducted an Analysis of Impediments (AI) to Fair Housing Choice, which included discussion of fair housing issues in the Consortium. However, that 1996 study was not accepted by HUD. The Consortium is working with a consultant to prepare a revised analysis.

Del Mar is actively promoting equal opportunities in housing by contracting with Lifeline Community Services (Lifeline). Lifeline assists individuals looking for affordable housing to locate shared housing opportunities. These opportunities include identifying opportunities for sharing housing with roommates and providing services to homeowners in exchange for free housing. Lifeline also provides a referral resource for other housing issues, such as legal problems related to housing. During the past four years while Del Mar has contracted with Lifeline, Lifeline has found shared housing opportunities for 62 persons (31 matches), and has registered over 500 people in the shared housing program. In addition to providing housing opportunities within Del Mar, the City of Del Mar, through its funding of the Lifeline program, has also assisted persons to locate affordable housing opportunities in surrounding jurisdictions since the activities of Lifeline are not limited to the City boundaries.

F. Share of Regional Growth

State Law requires a local jurisdiction to provide for its share of regional housing needs. The 1990 *Regional Housing Needs Statement* by the San Diego Association of Governments (SANDAG) determined that the City of Del Mar's share of the regional housing need was 216 new units between June 30, 1991 and July 1, 1999. This need for 216 new units was divided into four income levels as shown in Table 18 and could have only been provided through the construction of new residential units.

Table 18
Share of Regional Housing Needs

Income Category	Share of Regional Housing Needs	Units Built	% of Needs Fulfilled
Very Low (0-50% MFI)	50	0	0%
Low (51-80% MFI)	37	0	0%
Moderate (81-120% MFI)	45	0	0%
Upper >120% MFI)	84	61	73%
Total	216	61	28%

According to the County's records, 61 housing units have been constructed between July 1, 1991 and June 30, 1999, representing 28% of the City's share of regional housing growth needs. This level of achievement is due primarily to the limited supply of vacant land in the City and to some extent the slow real estate market in the early 1990s. Of the 61 new units constructed, 30 were replacement units for existing structures that were demolished, for a net increase of 31 housing units.

Among the 61 new units constructed, all of the units are upper-end custom homes affordable only to Upper Income households. As explained throughout the previous

sections, the market economics in Del Mar are such that housing affordable to lower income households is financially infeasible. As the smallest city in the County, the range of housing resources available to the City is extremely limited, constraining the City's ability to provide assistance to lower income households.

G. Fair Share of Affordable Housing Goal

In addition to identifying each jurisdiction's share of regional housing needs, SANDAG also allocates each jurisdiction's fair share of affordable housing goals. "Fair share of affordable housing goal" refers to the number of lower income households (80% or less of the County MFI) requiring assistance during a housing element cycle. The Regional Housing Needs Statement for the 1991-1999 period identified a fair share of 521 households in Del Mar.

However, the need to provide affordable housing opportunities always exceeds a community's resources. As such, SANDAG establishes a target of good faith effort for each jurisdiction that is considered to be realistically achievable within the housing element cycle. A jurisdiction's housing performance is measured against this good faith effort, which was established at 65 households (12.5% of 521 households) for Del Mar for the 1991-1999 period. Unlike the RHNS, the Fair Share of Affordable Housing Goal can be met through the provision of a variety of affordable housing opportunities, such as rental assistance and shared housing programs, and is not limited to new construction. Jurisdictions that meet their Housing Goal are able to self-certify their next Housing Element.

According to City and SANDAG records, Del Mar provided affordable housing opportunities to 10 Very Low Income households and one Low Income Household between 1991 and 1999, or 17% of its 65 household fair share. Del Mar assisted all of the households through rental and shared housing assistance using its Housing Assistance Fund and CDBG funds.

SANDAG utilized the 1991-1996 housing performance as one of the indicators for future housing performance when determining the Fair Share of Affordable Housing Goal for the 1999-2004 period, as discussed later in the Housing Plan Section of this Housing Element. Other factors used by SANDAG to determine the Fair Share of Affordable Housing Goal for 1999-2004 are:

- the 1991-1996 financial resources/regulatory measures used by Del Mar;
- simulation of future housing element cycle in a workshop setting;
- financial resources available now and likely change in the next cycle; and
- past pattern of Del Mar's use of available regulatory measures as well as prospective regulatory measures that may be underutilized.

Section 6. Housing Plan

The five-year Plan is the centerpiece of the 1999-2004 Housing Element for Del Mar. The Housing Plan sets forth the City's goals, policies, and programs to address Del Mar's identified housing needs. The San Diego Association of Governments (SANDAG) has established the City's share of regional housing growth needs as 23 additional units provided by new construction for the period of 1999 to 2004 to accommodate households with the following income distribution:

- Very Low Income (0-50% County MFI) – 7 units
- Low Income (51-80% of County MFI) – 6 units
- Moderate Income (81-120% of County MFI) – 5 units
- Above Moderate Income (>120% of County MFI) – 5 units

In addition to the share of regional housing growth need, SANDAG has also established an affordable housing goal for Del Mar at 21 households, with the following income distribution:

- Extremely Low Income (0-30% County MFI) – 6 households
- Very Low Income (31-50% County MFI) – 7 households
- Low Income (51-80% of County MFI) – 8 households

This affordable housing goal can be achieved through new construction, rehabilitation, as well as housing assistance. The City has already achieved two Low Income units through the deed-restriction of two second units for Low Income use. The remaining goal is 19 new affordable housing opportunities. Jurisdictions that meet their affordable housing goal are able to self-certify their next Housing Element.

A. Goals and Polices

This section of the Housing Element contains the goals and policies the City of Del Mar intends to implement in order to address a number of important housing-related issues. The following major issue areas are addressed by the goals and policies of this Element:

- Conserve and improve the existing stock of affordable housing;
- Encourage adequate provision of a variety of housing opportunities; and
- Promote equal housing opportunities.

Conservation and Improvement

The City's goal is to preserve the existing housing stock and to avoid a degree of physical decline that will require a larger rehabilitation effort to restore quality and value. As a community with high land and housing costs, it is important that the City continue to

conserve affordable housing units in the community to maintain adequate housing opportunities for all residents.

Housing Goal 1: To conserve and improve the existing stock of affordable housing in Del Mar.

Policy 1.1: Continue to preserve the existing Low and Moderate Income housing units within the City.

Policy 1.2: Continue to utilize the City's code enforcement program to ensure compliance with City codes.

Housing Opportunities

The City of Del Mar encourages the production and provision of new housing units that offer a wide range of housing types to ensure that an adequate supply is available to meet the existing and future needs of all groups. The provision of a balanced inventory of housing in terms of unit type (e.g. single-family residential, apartments, second units, mixed residential/commercial) will allow the City to fulfill a variety of housing needs. Providing resources that increase the affordability of existing units also will provide additional affordable housing opportunities within Del Mar.

Housing Goal 2: To encourage adequate provision of a wide range of housing by location, type, and price to meet the existing and future needs of Del Mar.

Policy 2.1: Provide a variety of residential development opportunities in the City, including single-family homes, townhomes, apartments, condominiums, second units, and residential mixed-use to fulfill regional housing needs.

Policy 2.2: Encourage the production of housing for all segments of the Del Mar population, including those with special needs.

Policy 2.3: Facilitate the development of affordable housing by offering incentives, such as fee waivers and reduced parking requirements, to developers of affordable housing.

Policy 2.4: Identify and participate in programs, such as rental assistance, that provide affordable housing opportunities, other than new construction.

Fair Housing

In order to make adequate provisions for the housing needs of all economic segments of the community, the City must ensure equal and fair housing opportunities are available to all residents.

Housing Goal 3: To promote equal opportunity for all residents to reside in the housing of their choice.

Policy 3.1: Prohibit discrimination in the sale or rental of housing with regard to race, color, religion, sex, familial status, disability, and national origin.

Policy 3.2: Continue to further fair housing choices through actively expanding housing opportunities and removing impediments to fair housing.

B. Housing Programs

The goals and policies contained in the Housing Element address Del Mar's identified housing needs and are implemented through a series of housing programs. Housing programs define the specific actions the City will take to achieve specific goals and policies. The City of Del Mar's overall housing program strategy for addressing its housing needs has been defined according to the following areas:

- Conserving and improving the existing housing stock;
- Providing adequate sites to achieve a variety and diversity of housing;
- Assisting in the development and provision of affordable housing;
- Removing governmental constraints as necessary; and
- Promoting equal housing opportunity.

Housing programs include both programs currently in operation in the City and new programs that have been introduced to address the City's unmet housing needs. This section provides a description of each housing program, and future program goals. The Housing Program Summary (Table 18) located at the end of this section summarizes the future five-year goals of each housing program, along with identifying the program funding source, responsible agency, and time frame for implementation.

Conserving and Improving Existing Housing

Given the high cost of land and housing within the City and the age of existing residential units, a comprehensive program to preserve and improve existing housing, particularly affordable housing, is critical in addressing the issue of the provision of safe and affordable housing to all members of the community.

1. **Condominium Conversion Ordinance Program:** There is a limited supply of rental units in multi-family structures (5+ units) in the City. Retention of existing rental units will preserve the Low and Moderate Income housing stock in Del Mar. Condominium conversions generally offer the lowest priced home ownership opportunities; however, qualifying families or persons frequently possess an earning power and/or equity which exceeds Low or Moderate Income classification. Many rental units are potentially subject to condominium conversion which, without City

action, would result in a loss in overall rental stock, primarily those units most affordable to Lower and Moderate Income households. Retention of existing rental units will preserve housing opportunities for all economic segments of Del Mar.

The City's Condominium Conversion Ordinance ensures that the City retains Low and Moderate Income housing units on site or that affordable housing opportunities are replaced within Del Mar. As a condition of any conversion of existing apartments to condominiums, or proposal to construct new condominiums, the Condominium Conversion Ordinance requires that two-thirds of the units are set aside as affordable to households qualifying for Very Low Income, or that a payment of in-lieu fees be submitted to the City. In-lieu fees collected through this program to date have been used for rent subsidies for lower income households.

Five-Year Objectives:

- The City will continue to implement the Condominium Conversion Ordinance to preserve existing affordable apartment units, and utilize the in-lieu fees to construct new units, assist the displaced households, or provide rent subsidies to increase the affordability of other existing rental units.

  - In 2001, the City will modify the Condominium Conversion Ordinance to promote the development of new, ownership multi-family units by removing the two-third rental set-aside requirement for new multi-family developments of three or more units.

- In 2001, the City will assess the in-lieu fee to determine the appropriate fee amount for the conversion of existing duplexes in order to discourage the loss of such rental units or to generate sufficient funding to assist the displaced households.

2. **Preservation of Non-conforming Multi-Family Densities:** Most affordable housing opportunities in Del Mar are provided in large non-conforming multi-family buildings. To preserve the affordable multi-family housing stock, the City will continue to enforce its Zoning Ordinance that allows the reconstruction and alteration of non-conforming multi-family developments of three or more units. The ordinance allows for the preservation of current, non-conforming residential densities.

Five-Year Objectives:

- The City will continue to allow the preservation of current, non-conforming residential densities for multi-family developments of three or more units.

3. **Code Enforcement:** Housing maintenance in Del Mar has not been perceived as a major issue in the City. Nevertheless, Del Mar implements a code enforcement program to correct housing and building code violations. Del Mar adopted the

Uniform Building Code (UBC) and contracts with the County of San Diego to enforce the UBC.

Zoning code enforcement is provided by the City. The City attempts to encourage the landowner in an informal manner to correct the zoning violation prior to addressing the violation at an administrative hearing.

Five-Year Objectives:

- The City will continue to enforce the Zoning Ordinance and contract with the County to enforce the UBC.

Provision of Adequate Sites

A key element in satisfying the housing needs of all segments of the community is the provision of adequate sites for housing of all types, sizes, and prices.

4. **Community Development Element and Zoning Ordinance:** The Community Development Element of the Del Mar Community Plan designates land within the City for a range of residential densities ranging from 1 to 17.6 units per acre. The following aspects of the Zoning Ordinance facilitate the provision of adequate sites for affordable development:

   - Provisions for mixed-use in the Residential-Commercial, Professional Commercial, North Commercial, and Central Commercial land uses designations.

   - Provisions and incentives for the construction of second units.

   The residential development capacity under the Del Mar Land Use Plan provides sufficient land to meet the City's remaining 21-unit share of regional housing growth needs for the 1999-2004 period.

Five-Year Objectives:

- The City will continue to implement and augment the Community Development Element and Zoning Ordinance. The objective is to construct 35 new Moderate and Above Moderate Income housing units during the five-year period.

- In 2001, the City will amend the Zoning Ordinance to extend residential mixed-use standards similar to those allowed in the Residential-Commercial district to the Central Commercial and Professional Commercial districts to provide opportunities for the development of mixed-use residential

development to occur. The objective is to develop six new Moderate Income residential units by 2004.

- The City will maintain an inventory of sites suitable for residential development and provide that information to interested developers.

5. **Sites for Homeless Shelters/Transitional Housing:** The City of Del Mar has an estimated homeless population of 30 persons or less. However, the majority of these homeless persons are day laborers and seasonal farmworkers. Del Mar has no transitional housing facility or emergency shelter for the homeless.

   Pursuant to State law, a community care facility for six or fewer persons may not be treated differently than family dwellings of the same type in the same zone. A community care facility also includes any residential facility, residential care facility for the elderly, day care agencies, home-finding agencies, small group homes, and foster family homes. Therefore, small group homes for six or fewer persons can be located in any of the City's residential districts by right.

   Congregations in neighboring jurisdictions participate in the Interfaith Shelter Network Rotating Shelter. This program provides temporary housing for homeless persons from September to May. The shelter rotates from congregation to congregation, operating two weeks at a time at an individual location. Participation in the Rotating Shelter Program by Del Mar congregations would provide homeless shelter opportunities within the City. The Del Mar Fairgrounds also contains housing units that are not utilized year round which may serve to provide emergency housing during the winter months.

   Five-Year Objectives:

   - The City will continue to permit community care facilities for six or fewer persons in all residential districts.
   - The City will encourage local congregations to participate with the Interfaith Shelter Network Rotating Shelter.
   - The City will actively solicit the assistance of HCD to convince the 22nd Agricultural District and Thoroughbred Club to utilize existing housing units located within the Del Mar Fairgrounds to provide emergency housing during the winter months.

Assist in Development and Provision of Affordable Housing

New development is a major source of housing for prospective homeowners and renters. However, with limited land available for new development and the high cost of land within Del Mar, other programs are required to provide affordable housing.

6. **Rental Assistance:** The City's Rental Assistance Program currently provides rent subsidies to eight Very Low Income households, with incomes less than 50% of the median family income for San Diego County. This program recognizes the constraints existing in Del Mar due to the extremely high cost of land and housing which makes the construction of new affordable housing very difficult to achieve. The Rental Assistance Program is funded through the use of in-lieu fees collected from subdivision of land into 10 parcels or more, or condominium conversions. Community Development Block Grant (CDBG) funds are also used to help finance the rental subsidies.

   Five-Year Objectives:

   - The City will continue to utilize a variety of funding sources, include CDBG, General Fund, and Housing in-lieu fee monies to provide rent subsidies to income qualified households. For FY 2000/01 and 2001/02, the objective is to provide rental assistance for eight Very Low Income households using CDBG and in-lieu housing fee monies and up to eight Very Low Income households using General Funds. When funding permits, the City will increase the number of households to be assisted with rent subsidies.

7. **Second Unit Program:** The City has adopted a Second Unit Ordinance to allow for the construction of affordable second units. Due to limited available land within the City, second unit construction is a very important element to the City in its efforts to provide affordable housing. This ordinance applies to the Very Low Density (R1-40), Modified Low Density (R1-14), Low Density (R1-10), and Low Density-Beach (R1-10B) districts, and allows a second unit to be constructed within these districts if the following conditions are met:

   - the parcel meets the minimum lot size specified for the underlying zone;
   - the second unit does not exceed 550 square feet;
   - the rental fee charged for the second unit is affordable to individuals that qualify as Low Income;
   - the second unit is deed-restricted for rental to only Low Income individuals for at least 30 years; and
   - one parking space (covered or uncovered) is provided.

   To facilitate the development of second units, the Ordinance waives the garage parking requirement for second units and only requires one on-site parking space for the second unit.

   Five-Year Objectives:

   - The City will continue to allow and promote the construction of affordable second units by increasing the public awareness of the second unit program

through the distribution of a pamphlet. The objective is to construct 5-10 new second units during the five-year period.

- The City will continue to allow and promote a program to legalize existing non-permitted second units, including deed-restricting the units for rental to Low Income individuals. The objective is to legalize 5-10 new units during the five-year period.

- In 2002, the City will conduct an evaluation of second unit development, and if necessary, modify the Second Unit Ordinance to ensure that the existing Ordinance does not impede development or legalization of second units.

8. **Shared Housing Program:** Since February 1995, Del Mar has contracted with Lifeline Community Services (Lifeline) to provide shared housing opportunities within the City. The Shared Housing Program provides free roommate referral service, helping Del Mar residents find a person to share their home. The program also works with local senior citizens to locate a helper to live in their house and assist around the house in exchange for free rent. Over the past four years that Del Mar has contracted with Lifeline, 503 persons have registered with the Shared Housing Program and 62 persons have been matched, for a total of 31 matches. Other referral services provided by Lifeline include: job counseling, emergency shelter, tenant-landlord legal advice, meals on wheels, mediations, and senior care. Even though contracting with Lifeline will not result in the construction of new affordable housing, Del Mar is committed to provide housing related assistance in a manner that is both feasible and responsive to the needs of those in the City.

   Five-Year Objectives:

   - The City will continue to provide shared housing services to residents of Del Mar to achieve at least five credits under the affordable housing goal. (Every 60 months of matched housing count for one shared housing credit under SANDAG's affordable housing goal system.)

   - The City will require the shared housing provider to maintain good records on the duration of each shared housing match in order to track housing accomplishment and evaluate program effectiveness.

9. **Section 8 Rental Assistance Program:** Since 1976, Del Mar has been a member of the San Diego County Housing Authority and its Section 8 Housing Assistance Program. The Section 8 rental assistance program extends rental subsidies to Very Low Income families and elderly that spend more than 30% of their income on rent. The subsidy represents the difference between the excess of 30% of the monthly income and the actual rent. Previously Del Mar was limited in its ability to attract Section 8 participants to the City since Section 8 certificate holders could only receive assistance if they lived at a development that was registered with HUD and charged only HUD's Fair Market Rent. Since the rental rates in Del Mar are much

higher than HUD's determined Fair Market Rent, Section 8 recipients were unable to find housing within Del Mar.

Recently, the Section 8 program has moved towards the use of vouchers. Section 8 voucher holders are able to take their subsidy anywhere. If the rent charged is over HUD's Fair Market Rent, the voucher holder has the option to pay the difference, and exceed 30% of their income. This allows voucher holders to move to neighborhoods where there is not a concentration of lower income housing, such as in Del Mar. Specifically, the City intends to use second units as a means of providing affordable housing. The City will promote the Section 8 program among second unit owners.

Five-Year Objectives:

- Continue to contract with the San Diego County Housing Authority to administer the Section 8 Rental Assistance Program.
- Support the County Housing Authority's applications for additional Section 8 allocation.
- Promote Section 8 program to second unit owners.

10. **Density Bonus:** Pursuant to State density bonus law, if a developer allocates at least 20% of the units in a housing project to lower income households, 10% for Very Low Income households, or at least 50% for "qualifying residents" (e.g. seniors), the City must either: a) grant a density bonus of 25%, along with one additional regulatory concession to ensure that the housing development will be produced at a reduced cost, or, b) provide other incentives of equivalent financial value based upon the land cost per dwelling unit. The developer shall agree to and the City shall ensure continued affordability of all lower income density bonus units for a minimum 30-year period.

Five-Year Objectives:

- In 2001, the City will begin its review of the Zoning Code for revisions that reflect current State density bonus standards.
- The City will inform residential development applicants of opportunities for density increase.

11. **Transitional Housing/Homeless Shelter Program:** Del Mar's current Zoning Code does not identify transitional housing and homeless shelters as an allowable use within the various zoning districts. To facilitate the provision of adequate housing opportunities for Del Mar's homeless population pursuant to State law, the City will amend the Zoning Code to identify zoning districts where such facilities may be located.

Five-Year Objectives:

- In 2001, the City will begin its review of the Zoning Code for revisions to specifically address the location, development standards and procedures for transitional housing and homeless shelters.

12. **Subdivision Inclusionary Affordable Housing Program:** The City's adopted inclusionary ordinance for subdivisions resulting in 10 lots or more provides for additional affordable housing opportunities. The ordinance requires that a proposed subdivision of land resulting in ten lots or more pay in-lieu fees or set aside one lot for every 10 for rental to Very Low Income. The in-lieu fees can be used to construct new affordable housing, or subsidize the rent of existing units.

Five-Year Objective:

- The City will continue to apply the Inclusionary Ordinance to proposed subdivisions when applicable.

13. **Coastal Zone Requirements:** As the entire City is located in the coastal zone, Government Code Section 65588(d) requires the City to include in its Housing Element:

    1) a review of the number of housing units approved for construction within the coastal zone after January 1, 1982;
    2) the number of housing units for persons and families of Low or Moderate Income provided in new housing developments either within the coastal zone or within three miles of the coastal zone;
    3) the number of existing residential units occupied by persons and families of Low or Moderate Income that have been authorized to be demolished or converted since January 1, 1982 in the coastal zone; and
    4) the number of residential units for persons and families of Low or Moderate Income that have been required for replacement of units.

Five-Year Objectives:

- The City will monitor and maintain records regarding the affordability of new construction, conversion, and demolition of residential units within the City limits in order to comply with the Coastal Act.

14. **Affordable Housing Funding:** The City is providing funding for rental assistance through the use of CDBG funds and In-lieu fees. However, the funding levels from these sources are limited. The State HCD administers a wide variety of affordable housing programs, some of which may be available to the City to help provide permanent or long-term affordable housing opportunities in Del Mar.

Five-Year Objectives:

- The City will monitor and evaluate available state funding programs for use in the provision of affordable housing.

- The City will work with local housing non-profit organizations to apply for available state funding to implement affordable housing programs.

Removal of Governmental Constraints

Under State law, the Del Mar Housing Program must address, and where appropriate and legally possible, remove governmental constraints to the maintenance, improvement, and development of housing. The following programs are designed to lessen governmental constraints to housing development.

15. **Local Coastal Program:** Adoption of a Local Coastal Program (LCP) Implementing Ordinance will reduce the processing time required for the construction of residential units within Del Mar. Once the LCP is adopted by the City, developers will not have to go to the California Coastal Commission for permit approval, except for land in the original Coastal Commission jurisdiction, which will reduce the overall permitting process significantly. This reduction in the processing period will reduce the cost to the developer, thereby reducing the overall cost of the development.

    Five-Year Objectives:

    - The City will work with the California Coastal Commission to approve and adopt the final Local Coastal Program (LCP) Implementing Ordinances and modifications in 2001.

16. **Fee Waiver Program:** Waiving the development fees for affordable housing developments will reduce the cost of construction, and increase the affordability of the units to lower income households. The City is currently investigating potential fee waiver programs and policies for affordable housing.

    Five-Year Objectives:

    - The City will adopt a fee waiver program for affordable housing development, including second units, in 2001.

17. **Streamline Development Processing Program:** Streamlining the development process for affordable housing development reduces the cost associated with holding on to land until it can be developed. Under this program, affordable housing development will be guaranteed priority processing. The City is currently investigating potential streamlining programs and policies for affordable housing proposals.

Five-Year Objectives:

- The City will adopt a development processing streamlining program for affordable housing development proposals by the end of 2000.

Promote Equal Housing Opportunities

In order to make adequate provision for the housing needs of all economic segments of the community, the Housing Program must include actions that promote housing opportunities for all persons regardless of race, religion, sex, family size, martial status, ancestry, national origin, color, age, or physical disability.

18. **Fair Housing:** For many years, Del Mar has contracted Lifeline Community Services (Lifeline) to coordinate shared housing opportunities in the City. Lifeline also provides mediation and legal assistance to residents of Del Mar. Lifeline's Legal Clinic provides advice on issues such as unlawful detainers or knowledge of landlord or tenant rights.

    Also, the San Diego County Consortium, of which Del Mar is a member, is in the process of conducting an Analysis of Impediments (AI) to Fair Housing Choice and preparing a Fair Housing Plan to implement recommendations identified in the AI.

    Five-Year Objectives:

    - Del Mar will continue to contract with Lifeline Community Services or similar agencies to assure unrestricted access to housing in the community.

    - The City will assist in program outreach through the support of Lifeline's marketing program that disperses information throughout the community regarding Lifeline's services.

    - The City will continue to participate in the San Diego County Consortium in conducting the fair housing analysis and preparing the Fair Housing Plan.

    - By 2001, the City will develop a Community Services outreach program for elderly and other special needs (including disabilities) populations.

Table 19
Housing Program Summary

Housing Program	Program Objectives	5-Year Objective and Time Frame	Funding Source	Responsible Agency
Conserving and Improving Existing Housing				
1. Condominium Conversion Ordinance Program	Protect existing affordable rental units from conversion to condominiums.	• Continued implementation of the Condominium Conversion Ordinance. • In 2001, modify the existing Condominium Conversion Ordinance to promote the development of new, ownership multi-family units by removing the two-third rental set-aside requirement for new multi-family developments of three or more units. • In 2001, assess the in-lieu fee to determine the appropriate fee amount for conversion of existing duplexes in order to discourage the loss of such units or to generate sufficient funding to assist displaced households.	In-lieu fees	Planning Department
2. Preservation of Non-conforming Multi-family Densities	Preserve existing, non-conforming multi-family densities within the City.	• Continue to allow the preservation of current, non-conforming residential densities for multi-family developments of 3 or more units.	Department Budget	Planning Department
3. Code Enforcement	Ensure the maintenance of existing housing stock.	• Continue to enforce the UBC and Zoning Ordinance.	Department Budget	Planning Department and County of San Diego Building Department

Housing Program	Program Objectives	5-Year Objective and Time Frame	Funding Source	Responsible Agency
Provision of Adequate Sites				
4. Community Development Element and Zoning Ordinance	Provide a range of residential development opportunities through appropriate land use designations.	• Continue to implement and augment the Community Development Element and Zoning Ordinance. The objective is to construct 35 new Moderate and Above Moderate Income housing units during the five-year period. • In 2001, amend the Zoning Ordinance to extend residential mixed-use standards similar to those allowed in the R-C district to the Central Commercial and Professional Commercial districts to provide opportunities for the development of mixed-use residential development to occur. The objective is to develop six new Moderate Income residential units by 2004. • Ongoing maintenance of an inventory of sites suitable for residential development.	Department Budget	Planning Department
5. Sites for Homeless Shelters/Transitional Housing	Provide for sites for the development and opportunities for the provision of housing for the homeless.	• Continue to permit community care facilities through various zoning provisions. • Encourage local participation with rotating shelter providers. • Actively solicit the assistance of HCD to convince the 22nd Agricultural District to utilize existing housing units located within the Del Mar Fairgrounds to provide emergency housing during the winter months.	Department Budget	Planning Department

Housing Program	Program Objectives	5-Year Objective and Time Frame	Funding Source	Responsible Agency
Assist in Development and Provision of Affordable Housing				
6. Rental Assistance	Increase the affordability of renting in Del Mar for Very Low Income households.	• Continue to utilize a variety of funding sources, including CDBG, General Fund, and Housing in-lieu housing fee monies to provide rent subsidies to income qualified households. For FY 2000/01 and 2001/02, the objective is to provide rental assistance for eight Very Low Income households using CDBG and in-lieu fee monies and up to eight Very Low Income households using General Funds. When funding permits, the City will increase the number of households to be assisted.	CDBG, In-lieu fees, General Fund, and Department Budget	Planning Department, Housing Corporation and County of San Diego
7. Second Unit Program	Facilitate the development of affordable housing through the construction of second units.	• Continue to allow and promote the construction of affordable second units by increasing public awareness of the second unit program through the distribution of a pamphlet. The objective is to construct 5-10 new second units during the five-year period. • Continue to allow and promote a program to legalize existing non-permitted second units, including deed-restricting the units for rental to Low Income individuals. The objective is to legalize 5-10 new units during the five-year period. • In 2002, conduct an evaluation of second unit development, and if necessary, modify the Second Unit Ordinance to ensure that the existing Ordinance does not impede development or legalization of second units.	Department Budget	Planning Department
8. Shared Housing Program	Assist lower income persons in locating shared housing opportunities.	• Continue to provide shared housing services to achieve at least five credits under the affordable housing goal. • Maintain good records to allow for the tracking of data for the duration of each shared housing match.	CDBG and In-lieu fees	Planning Department, Lifeline and Housing Corporation

Housing Program	Program Objectives	5-Year Objective and Time Frame	Funding Source	Responsible Agency
9. Section 8 Rental Assistance Program	Extend rental subsidies to Very Low Income households.	• Ongoing program administration through the San Diego Housing Authority. • Continued support of County Housing Authority's annual applications for additional Section 8 allocations. • Promote Section 8 program to second unit owners.	HUD Section 8 Certificates and Vouchers	Planning Department, Housing Corporation and County of San Diego
10. Density Bonus	Encourage development of housing for seniors and lower income households through provision of density bonuses.	• In 2001, begin review of the Zoning Ordinance to reflect state density bonus standards. • Inform residential development applicants of opportunities for density increases.	Department Budget	Planning Department
11. Transitional Housing/ Homeless Shelter Program	Facilitate the provision of transitional housing and homeless shelters.	• In 2001, begin review of the Zoning Code for revisions to specifically address the location, development standards, and procedures for transitional housing and homeless shelters..	Department Budget	Planning Department
12 Subdivision Inclusionary Affordable Housing Program	Ensure new development assists in the provision of affordable housing.	• Continue to apply the Inclusionary Ordinance to proposed subdivisions when applicable.	Department Budget and In-lieu Fees	Planning Department
13. Coastal Zone Requirements	Comply with Coastal Zone regulations regarding affordable housing.	• Continue to monitor and maintain records regarding the affordability of new construction, conversion, and demolition of residential units within the City to comply with the Coastal Act.	Department Budget	Planning Department and Coastal Commission
14. Affordable Housing Funding	Utilize state funding to provide permanent or long-term affordable housing opportunities.	• Monitor and evaluate available state funding programs for use in the provision of affordable housing. • Work with local housing non-profit organizations to apply for available state funding to implement affordable housing programs.	Department Budget, State Housing Funds	Planning Department
Removal of Governmental Constraints				
15. Local Coastal Program	Reduce the processing time of development by adopting a Local Coastal Program Implementing Ordinance.	• Work with the California Coastal Commission to approve and adopt a Local Coastal Program Implementing Program in 2001.	Department Budget	Planning Department and Coastal Commission
16. Fee Waiver Program	Reduce the cost of developing affordable housing by waiving development fees.	• Adopt a fee waiver program for affordable housing development, including second units, in 2001.	Department Budget	Planning Department

Housing Program	Program Objectives	5-Year Objective and Time Frame	Funding Source	Responsible Agency
17. Streamline Development Processing Program	Reduce the cost of developing affordable housing by reducing the time spent during City development processing.	• Adopt a development processing streamlining program for affordable housing development proposals by the end of 2000.	Department Budget	Planning Department
Promote Equal Housing Opportunities				
18. Fair Housing	Affirm a positive action posture that will assure unrestricted access to housing.	• Continue to contract with Lifeline or similar agencies to assure unrestricted access to housing in the community. • Assist in program outreach. • Continue to participate in the San Diego County Consortium in conducting a fair housing analysis and preparing a Fair Housing Plan. • By 2001, develop a Community Services outreach program for elderly and other special needs (including disabilities) populations.	CDBG, In-lieu Fees, and Department Budget	Planning Department, Lifeline, Housing Corporation

C. Summary of Quantified Objectives

Table 20 summarizes the anticipated new construction and conservation of existing affordable housing units from 1999-2004 by income category that will occur from the development of vacant land, second units, and land within the mixed-use districts with the implementation of the Housing Plan. The number of rehabilitated units has not been quantified since the housing stock in Del Mar is well maintained and rehabilitation is not a concern. The number of new households receiving rental assistance from the City has been quantified.

Table 20
Summary of Quantified Objectives

Income Group	New Construction	Conservation	Rental Assistance
Very Low Income	4	4	8
Low Income	6	6	0
Moderate Income	20	0	0
Above Moderate Income	21	0	0
Total	51	10	8

As shown in Table 20, an estimated 51 new units will be constructed during the 1999-2004 Housing Element period. New construction affordable to Very Low and Low Income households is assumed to result from the construction of two second units per year. It is assumed that 40% of the new second units will be rented to Very Low Income households and the remainder will be rented to Low Income households.

Based on the housing development trends between 1991 and 1999, the City achieved construction of about seven units annually. Based on the allowable densities, it is estimated that 14 of the new units may be Moderate Income units and 21 may be Upper Income Units. An additional six Moderate Income units are anticipated to be constructed in the Central and Professional Commercial districts once the City has expanded the opportunities for mixed-use development in these areas and actively promotes mixed-use development.

Since there is no assisted housing within the City, conservation of existing affordable units will be a result of legalizing existing illegal second units and requiring affordability restrictions for rental to Low Income households. An estimated two units per year will be conserved. It is also assumed that a portion (40%) of these units will be rented to Very Low Income households and the remaining 60% to Low Income households.

Appendix A

Glossary

HOUSING ELEMENT GLOSSARY

Acre: A unit of land measure equal to 43,560 square feet.

Acreage, Net: The developable portion of a site exclusive of existing or planned public or private road rights-of-way.

Affordability Covenant: A property title agreement that places resale or rental restrictions on a housing unit.

Affordable Housing: Under state and federal statutes, housing which costs no more than 30 percent of gross household income. Housing costs include rent or mortgage payments, utilities, taxes, insurance, homeowner association fees, and other related costs.

Annexation: The incorporation of land area into an existing city with a resulting change in the boundaries of that city.

Assisted Housing: Housing that has been subsidized by federal, state, or local housing programs.

At-Risk Housing: Multi-family rental housing that is at risk of losing its status as housing affordable for low and moderate income tenants due to the expiration of federal, state or local agreements.

Census: The official United States decennial enumeration of the population conducted by the federal government.

Community Development Block Grant (CDBG): A grant program administered by the U.S. Department of Housing and Urban Development (HUD). This grant allots money to cities and counties for housing rehabilitation and community development activities, including public facilities and economic development.

Condominium: A building or group of buildings in which units are owned individually, but the structure, common areas and facilities are owned by all owners on a proportional, undivided basis.

Density: The number of dwelling units per unit of land. Density usually is expressed "per acre." A development with 100 units located on 20 acres has density of 5.0 units per acre.

Density Bonus: The allowance of additional residential units beyond the maximum for which the parcel is otherwise permitted usually in exchange for the provision or preservation of affordable housing units at the same site or at another location.

Development Impact Fees: A fee or charge imposed on developers to pay for a jurisdiction's costs of providing services to new development.

Development Right: The right granted to a land owner or other authorized party to improve a property. Such right is usually expressed in terms of a use and intensity allowed under existing zoning regulation. For example, a development right may specify the maximum number of residential dwelling units permitted per acre of land.

Disability: Based on Census definition, a person is considered to have a disability if he or she has a mobility limitation, self-care limitation, or work disability. According to the Census, persons with a ***mobility limitation*** are defined as persons with a health condition that has lasted for six or more months and which makes it difficult to go outside the home alone. Persons with a ***self-care limitation*** have a heath condition that has lasted for six months or more and which makes it difficult to take care of their own personal needs, such as dressing, bathing, or getting around inside the home. Persons are identified with a ***work disability*** if they have a health condition that has lasted for six or more months and which limited the kind or amount of work they could do at a job or business. A health condition refers to both physical and mental conditions.

Dwelling, Multi-family: A building containing two or more dwelling units for the use of individual households; an apartment or condominium building is an example of this dwelling unit type.

Dwelling, Single-family Attached: A one-family dwelling attached to one or more other one-family dwellings by a common vertical wall; row houses and town homes are examples of this dwelling unit type.

Dwelling, Single-family Detached: A dwelling, not attached to any other dwelling, which is designed for and occupied by not more than one family and surrounded by open space or yards.

Dwelling Unit: One or more rooms, designed, occupied or intended for occupancy as separate living quarters, with cooking, sleeping and sanitary facilities provided within the unit for the exclusive use of a single household.

Elderly Household: As defined by HUD, elderly households are one- or two- member (family or non-family) households in which the head or spouse is age 62 or older.

Element: A division or chapter of the General Plan.

Emergency Shelter: An emergency shelter is a facility that provides shelter to homeless families and/or homeless individuals on a limited short-term basis.

Emergency Shelter Grants (ESG): A grant program administered by HUD, provided on a formula basis to large entitlement jurisdictions.

Entitlement City: A city, which based on its population, is entitled to receive funding from HUD. Examples of entitlement programs include CDBG, HOME and ESG.

Fair Market Rent (FMR): Fair Market Rents (FMRs) are freely set rental rates defined

by HUD as the median gross rents charged for available standard units in a county or Standard Metropolitan Statistical Area (SMSA). Fair Market Rents are used for the Section 8 Rental Program and many other HUD programs and are published annually by HUD.

Family: A family is defined by the U.S. Census as people who live together in a household and are related to the householder by birth, marriage, or adoption.

First-Time Home-buyers: Pursuant to HUD, an individual or family who has not owned a home during the three-year period preceding the HUD-assisted purchase of a home. Jurisdictions may adopt local definitions for first-time home-buyer programs which differ from non-federally funded programs.

Floor Area Ratio (FAR): The gross floor area of all buildings on a lot divided by the lot area; usually expressed as a numerical value (e.g., a building having 10,000 square feet of gross floor area located on a lot of 5,000 square feet in area has a floor area ratio of 2:1).

General Plan: The General Plan is a legal document, adopted by a local legislative body, that sets forth policies regarding the long-term development of a jurisdiction. California law requires the preparation of seven elements as part of the General Plan: land use, housing, circulation, conservation, open space, noise, and safety. Additional elements addressing the unique needs of a jurisdiction are permitted.

Group Quarters: A facility that houses groups of unrelated persons not living in households (U.S. Census definition). Examples of group quarters include institutions, dormitories, shelters, military quarters, assisted living facilities and other quarters, including single-room occupancy (SRO) housing, where 10 or more unrelated individuals are housed.

Growth Management: Techniques used by a government to regulate the rate, amount, location and type of development.

Home Mortgage Disclosure Act (HMDA): The Home Mortgage Disclosure Act requires larger lending institutions making home mortgage loans to publicly disclose the location and disposition of home purchase, refinance and improvement loans. Institutions subject to HMDA must also disclose the gender, race, and income of loan applicants.

HOME Program: The HOME Investment Partnership Act, Title II of the National Affordable Housing Act of 1990. HOME is a Federal program administered by HUD which provides formula grants to States and localities to fund activities that build, buy, and/or rehabilitate affordable housing for rent or home ownership or provide direct rental assistance to low-income people.

Homeless: Unsheltered homeless are families and individuals whose primary nighttime residence is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings (e.g., the street, sidewalks, cars, vacant and abandoned buildings). Sheltered homeless are families and persons whose primary nighttime residence is a supervised publicly or privately operated shelter (e.g., emergency, transitional, battered women, and homeless youth shelters; and commercial hotels or motels used to house the homeless).

Household: The US Census Bureau defines a household as all persons living in a housing unit whether or not they are related. A single person living in an apartment as well as a family living in a house is considered a household. Household does not include individuals living in dormitories, prisons, convalescent homes, or other group quarters.

Household Income: The total income of all the persons living in a household. A household is usually described as very low income, low income, moderate income, and upper income based upon household size, and income, relative to the regional median income.

Housing Problems: The HUD definition of a household with a housing problem is one which: (1) occupies a unit with physical defects (lacks complete kitchen or bathroom); (2) meets the definition of overcrowded; or (3) spends more than 30% of income on housing cost.

Housing Subsidy: Housing subsidies refer to government assistance aimed at reducing housing sales or rent prices to more affordable levels. Two general types of housing subsidy exist. Where a housing subsidy is linked to a particular house or apartment, housing subsidy is "project" or "unit" based. In Section 8 rental assistance programs the subsidy is linked to the family and assistance provided to any number of families accepted by willing private landlords. This type of subsidy is said to be "tenant based."

Housing Unit: A room or group of rooms used by one or more individuals living separately from others in the structure, with direct access to the outside or to a public hall and containing separate toilet and kitchen facilities.

HUD: See "U.S. Department of Housing and Urban Development (HUD)".

Income Categories: Four categories are used to classify a household according to income based on the median income for the county. Under state housing statutes, these categories are defined as follows: Very Low (0-50% of County median); Low (50-80% of County median); Moderate (80-120% of County median); and Upper (over 120% of County median).

Large Household: A household with 5 or more members.

Manufactured Housing: Housing that is constructed of manufactured components, assembled partly at the site rather than totally at the site. Also referred to as modular housing.

Market Rate Housing: Housing which is available on the open market without any subsidy. The price for housing is determined by the market forces of supply and demand and varies by location.

Median Income: The annual income for each household size within a region that is defined annually by HUD. Half of the households in the region have incomes above the median and half have incomes below the median.

Mobile Home: A structure, transportable in one or more sections, which is at least 8 feet in width and 32 feet in length, is built on a permanent chassis and designed to be used as a dwelling unit, either with or without a permanent foundation, when connected to the required utilities.

Mortgage Revenue Bond (MRB): A state, county, or city program providing financing for the development of housing through the sale of tax-exempt bonds.

Overcrowding: As defined by the U.S. Census, a household with greater than 1.01 persons per room, excluding bathrooms, kitchens, hallways, and porches. Severe overcrowding is defined as households with greater than 1.51 persons per room.

Overpayment: The extent to which gross housing costs, including utility costs, exceed 30 percent of gross household income, based on data published by the U.S. Census Bureau. Severe overpayment, or cost burden, is where gross housing costs exceed 50 percent of gross income.

Parcel: The basic unit of land entitlement. A designated area of land established by plat, subdivision, or otherwise legally defined and permitted to be used, or built upon.

Physical Defects: A housing unit lacking complete kitchen or bathroom facilities (U.S. Census definition). Jurisdictions may expand upon the Census definition in defining units with physical defects.

Project-Based Rental Assistance: Rental assistance provided for a project, not for a specific tenant. Tenants receiving project-based rental assistance give up the right to that assistance upon moving from the project.

Public Housing: A project-based low-rent housing program operated by independent local public housing authorities. Low-income families apply to the local public housing authority in the area in which they want to live.

Redevelopment Agency: California Community Redevelopment Law provides authority to establish a Redevelopment Agency with the scope and financing mechanisms necessary to remedy blight and provide stimulus to eliminate deteriorated conditions. The law provides for the planning, development, redesign, clearance, reconstruction, or rehabilitation, or any combination of these, and the provision of public and private improvements as may be appropriate or necessary in the interest of the general welfare by the Agency. Redevelopment law requires an Agency to set aside 20 percent of all tax

increment dollars generated from each redevelopment project area for the purpose of increasing and improving the community's supply of housing for low and moderate income households.

Regional Housing Needs Statement (RHNS): The Regional Housing Needs Statement represents the regional housing plan for the San Diego Association of Governments (SANDAG) region. The RHNS is based on State of California projections of population growth and housing unit demand and assigns a share of the region's future housing need to each jurisdiction within the region. These housing need numbers serve as the basis for the update of the local Housing Element.

Rehabilitation: The upgrading of a building previously in a dilapidated or substandard condition for human habitation or use.

San Diego Association of Governments (SANDAG): The San Diego Association of Governments is the regional planning agency designated by the Federal government representing the San Diego County region. SANDAG is responsible for preparing the Regional Housing Needs Statement (RHNS).

Section 8 Rental Voucher/Certificate Program: A tenant-based rental assistance program that subsidizes a family's rent in a privately owned house or apartment. The program is administered by local public housing authorities. Assistance payments are based on 30 percent of household annual income. Households with incomes of 50 percent or below the area median income are eligible to participate in the program.

Service Needs: The particular services identified for special populations, typically including needs such as transportation, personal care, housekeeping, counseling, meals, case management, personal emergency response, and other services preventing premature institutionalization and assisting individuals to continue living independently.

Small Household: Pursuant to HUD definition, a small household is a household of two to four non-elderly persons.

Special Needs Groups: Those segments of the population which have a more difficult time finding decent affordable housing due to special circumstances. Under California Housing Element statutes, these special needs groups consist of the elderly, handicapped, large families, female-headed households, farmworkers and the homeless. A jurisdiction may also choose to consider additional special needs groups in the Housing Element, such as students, military households, other groups present in their community.

State Department of Housing and Community Development (HCD): The State Department responsible for housing policy and programs in California. HCD establishes the guidelines for preparation of local housing elements, prepares the statewide housing element, and offers technical assistance to local jurisdictions.

Subdivision: The division of a lot, tract or parcel of land in accordance with the Subdivision Map Act (California Government Code Section 66410 et seq.).

Substandard Housing: Housing which does not meet the minimum standards contained in the State Housing Code (i.e. does not provide shelter, endangers the health, safety or well-being of occupants). Jurisdictions may adopt more stringent local definitions of substandard housing.

Substandard, Suitable for Rehabilitation: Substandard units that are structurally sound and for which the cost of rehabilitation is considered economically warranted.

Substandard, Needs Replacement: Substandard units which are structurally unsound and for which the cost of rehabilitation is considered infeasible, such as instances where the majority of a unit has been damaged by fire.

Supportive Housing: Housing with a supporting environment, such as group homes or Single Room Occupancy (SRO) housing and other housing that includes a supportive service component such as those defined below.

Supportive Services: Services provided to residents of supportive housing for the purpose of facilitating the independence of residents. Some examples are case management, medical or psychological counseling and supervision, childcare, transportation, and job training.

Tenant-Based Rental Assistance: A form of rental assistance in which the assisted tenant may move from a dwelling unit with a right to continued assistance. The assistance is provided for the tenant, not for the project.

Transitional Housing: Transitional housing is temporary (often six months to two years) housing for a homeless individual or family who is transitioning to permanent housing. Transitional housing often includes a supportive services component (e.g. job skills training, rehabilitation counseling, etc.) to allow individuals to gain necessary life skills in support of independent living.

U.S. Department of Housing and Urban Development (HUD): The department of the federal government responsible for housing, housing assistance, and urban development at the national level. Housing programs administered through HUD include Community Development Block Grant (CDBG), HOME and Section 8, among others.

Zoning: A police power measure, enacted primarily by local government, in which the community is divided into zones that permit certain uses. Regulations governing lot size, building bulk, placement, and other development standards vary from district to district, but they must be uniform within the same district. Every community adopts a zoning ordinance specifying these regulations.